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NEWS SUMMARY

GENERAL

Thatcher may step into rail dispute

The Government is ready to step into the rail dispute in four weeks or less, union leaders said yesterday. Action by the Thatcher Government could include more cuts in jobs and services to trim losses from the strikes, or temporary closure of the whole network.

Syrian rebellion

An uprising was reported in the Syrian city of Hama, a centre for Sunni Moslems, which was sealed off. Street fighting was also reported in Aleppo.

No to arms plan

The U.S. rejected Soviet proposals for a two-thirds cut in Western and Soviet medium-range missiles in Europe in the next decade.

Foot firm on EEC

Labour leader Michael Foot reaffirmed his determination to leave the EEC, despite pleas from other European socialists in Brussels, Page 11

'End conference'

Switzerland called for the European Security Conference in Madrid, scene of much East-West bitterness, to be suspended, Page 2

Mother goes free

The mother of a rape victim, who brought a knife into a Birmingham court during the hearing, was given an absolute discharge.

Kissinger 'stable'

Former U.S. Secretary of State, Henry Kissinger was "satisfactorily stable" after open heart surgery, doctors said.

Test tube query

The Government is asking medical groups for their views on the ethical aspects of producing test tube babies, Mrs Thatcher said.

SDP debate

The SDP constitutional conference this weekend could face long procedural wrangling as big changes to the draft constitution are proposed, Page 11

Defector stays

A Soviet ship's doctor who defected in Liverpool on Tuesday was given permission to stay in Britain for six months, but not political asylum.

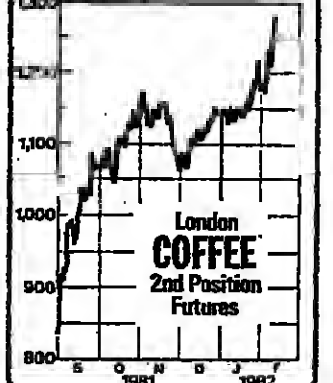
BUSINESS

Equities and gilts rally; coffee up

EQUITIES rallied as investors regained confidence. The FT 30 share index rose 10.5 in close to the day's best of 573.7, Page 36

GILTS also recovered. The Government Securities Index added 0.29 to 64.68, Page 36

COFFEE rose to its highest since April 1980 on the London futures market, reflecting



scarcity of immediately available supplies. March futures gained £63 to £1,384, Page 35

GOLD rose \$2 to \$381.5 in London. In New York the Comex February close was \$385.0, Page 30

DOLLAR was slightly easier. It closed at DM 2.366 (DM 2.376), FF 6.0075 (FF 6.03), SwFr 1.9025 (SwFr 1.9125) and Y236.25 (Y236.5). Its trade weighted index was 112.1 (112.4), Page 30

STERLING rose 55 points to \$1,847.5 and eased to DM 2.375 (DM 2.3775), FF 6.0075 (FF 6.0075), SwFr 1.9025 (SwFr 1.9125) and Y236.25 (Y236.5). Its trade weighted index was 91.6 (91.5), Page 30

WALL STREET was up 5.81 to 336.38 near the close, Page 34

BUDGET should be framed to cut business costs by £2.1bn next financial year and to inject a modest stimulus into the economy, the CBI said, Back Page; Details, Page 10; Editorial comment, Page 24

UK WORLD TRADE share continued to fall last year in spite of improved export figures, Page 8

OIL COMPANIES bid about \$1.25bn (\$872m) for new exploration concessions in the Gulf of Mexico, Page 4

WORKERS at Borg-Warner's automatic transmission factory in South Wales were warned that the plant may close unless they settle a pay dispute by the end of the week, Back Page

BL carried out its threat to suspend further investment in manufacturing its new light truck pending the outcome of talks aimed at ending the Leyland Vehicles strike, Page 10

LINKED LIFE and personal pension contracts sales broke all records last year, Page 9

U.S. AIRLINES had their worst year in 1981, the Air Transport Association of America reported, Page 4

ENERGY EQUIPMENT Company, a Petrobras subsidiary, proposing reopening the Invergordon aluminium smelter using Scotland's peat as fuel, Page 9

PEUGEOT, the French motor group, expects consolidated taxable profits 45 per cent to £21.2m in the three months to end-December, Page 26; Lex, Back Page

BOC INTERNATIONAL Industrial Gases group, raised taxable profits 45 per cent to £21.2m in the three months to end-December, Page 26; Lex, Back Page

Shipyard workers keep the spirit of Solidarity alive

BY CHRISTOPHER BOBINSKI IN WARSAW

THE SPIRIT of Solidarity is alive and well and blossoming in the Lenin Shipyard in Gdansk. Countless conversations snatched by reporters this week on their first visit to the birthplace of the independent union since the declaration of martial law showed that the great majority of workers expect Solidarity to be reinstated in its original form.

Few would accept or remain members of any "Solidarity" established by the authorities under a docile, officially-approved leadership. Nor would there be much backing for a return to the old-style unions dominated by the Communist Party.

General Wojciech Jaruzelski, Poland's military leader, and his military council will have to take his mood into account if they ponder their next moves. If they want a stable and lasting relationship with the working class they will have to come to terms with the strong undercurrent of support for the suspended union.

The prefabrication department at the shipyard employs 750 people. About 350 went on strike on the morning of Monday, December 14 to protest against martial law. They were still there that night when the security forces came to clear them out.

Three of the workforce, interned the previous day, still have not returned. One, Mr Ryszard Grabow, was the deputy head of

Solidarity in the department. Another is Mr Andrzej Plaza, the department's delegate to the shipyard workers self-management council.

"If they go back to their union posts when Solidarity is reinstated, then people will support it and follow them. If someone else is there, then they won't," one man in the department said.

The yard is now working and there is little evidence of go-slows or working to rule, although productivity is limited by shortages of components.

The great strength of Solidarity is not so much its fledgling underground organisation or its reviving propaganda. It lies more in the calm and sure way in which the shopfloor speaks of the fact that the union will be back.

This is a return to the mood, and the caution, of the 13-day strike at Gdansk in August, 1980, which gave birth to independent unions in Poland. Then the Communist Party leadership found itself powerless in the face of the quiet determination of the workers and the people of Gdansk.

Now, as then, it is difficult to find people ready to condemn the clashes between demonstrators and the police on January 30, even though they brought a clampdown on private traffic in the city, the switching off of phones and an 8 pm curfew.

That day, the shipyard workers decided to

show their support for Solidarity by laying flowers and lighting candles at a monument to those killed in riots against food price increases in 1970.

Clashes started in the morning and lasted into the early evening. The official version of events—that only students and misguided schoolchildren were involved—was built on the basis that any workers arrested were released without charge.

But officials have now admitted that 26 of the 205 people detained by police were employed in industry. Now the workers say they will lay flowers at the monument on every thirteenth of every month to mark the introduction of martial law.

Attempting to head off further trouble, the authorities have started a propaganda campaign in schools and party organisations aimed at persuading people not to take part.

Just in case, a further 300 special Zomo riot police are being moved into the Helvelius Hotel, just 300 yards away from the monument.

In any event, the whole of Gdansk is talking of the prospect of another demonstration. A girl in the street was resigned to the consequences. "What else can they do? They've taken away our phones. Can they make the curfew any earlier?" she said.

The local Communist Party is trying to tighten its grip. The liberal heads of the

former local leadership, which ran a more or less conflict-free policy towards Solidarity, have resigned. About 14 of the journalists on the local party paper are still suspended.

Mr Edward Kijek, the new local party secretary in charge of ideology, who was brought into the leadership after martial law, has a style reminiscent of the pre-Solidarity past.

How this new conservative administration will deal with the situation in Gdansk is unclear. Mr Kijek plays down the significance of the "groups and grouplets which don't agree with reality."

But he admits they are there. And given the general mood throughout Gdansk, it will be hard for him to isolate the underground activists from the rest of society.

And at the Gdansk port, even though there were no strikes to mark the imposition of military rule and, according to the docks manager only "around three" of his 8,000 workers were interned, the reviving spirit of the suspended union makes its presence felt.

Everyone is back at work. Everything appears quite normal apart from a few words scrawled in chalk on a warehouse door. "The winter is yours. Spring will be ours. Signed Solidarity."

Walesa's deputy to be tried in military court, Page 2

Laker and Rowland in talks as tour operations are sold

BY ALAN FRIEDMAN

SIR FREDDIE LAKER is holding talks with Mr Roland "Tiny" Rowland, chief executive of Lombr, concerning the possibility of a joint venture airline project.

This emerged yesterday after buyers were named for the two Laker tour companies following eight-month negotiations between Mr Bill Mackey, Laker's joint receiver, and prospective bidders.

Arrowsmith Holidays was sold for £4m to Greenall Whitley, the Warrington, Cheshire-based brewers and hotels group. Laker Air Travel was sold for £500,000 to Saga Holidays, the package holiday group which specialises in travel for pensioners.

Last night Lombr's auditors, from Peat Marwick and Mitchell, were at Laker's Gatwick Airport offices studying company accounts to order to prepare an accountants' investigation into the economic feasibility of the new airline project.

Mr Rowland is one of several people Sir Freddie has been consulting since the weekend in an attempt to secure financial backing for a new airline project.

On Tuesday Sir Freddie and Mr Rowland were seen together entering the City offices of accountants Ernst and Whinney, where Mr Mackey has been based.

It is believed that the two men met Mr Mackey for talks about a possible new airline and the purchase of assets such as an aircraft.

At Ernst and Whinney, Mr Mackey said yesterday he was optimistic about Sir Freddie's chances of a comeback. "I believe there is a real chance. Obviously he has to do his homework properly and I am quite sure he will."

Although Mr Rowland is clearly involved in talks with Sir Freddie, it is understood that a deal will be possible only if the Peat Marwick and Mitchell report is satisfactory.

This is partly because of the need to prove to the Civil Aviation Authority that a new airline would have sound financial prospects.

If the project goes ahead it will probably involve the purchase of up to five McDonnell Douglas DC-10 aircraft from the loan syndicate led by the Export-Import Bank.

Zaire may fail to meet IMF targets

By Michael Holman

ZAIRE may be unable to meet the demands of its current SDR 912m (£580m) two-year International Monetary Fund programme, according to a memorandum from the country's central bank.

The Banque du Zaire, which has as its financial advisers Kuhn Loeb Lehman Brothers, Lazard Freres Paris/New York, and S. G. Warburg, says forecasts of export receipts for 1981 were over-optimistic.

The country's ability to meet IMF performance criteria is thus "in doubt".

The programme, the IMF's second-largest in Africa, is part of a complex international operation to revive the country's economy and help President Mobutu Sese Seko's Government meet rescheduled payments of an external debt — including principal and interest in arrears — which stood at \$4.5bn (£2.4bn) in mid-1981.

The Government, which survived two rebel invasions of the mineral province of Shaba in 1977 and 1978, agreed to the two-year IMF programme last June, and SDR 175m has so far been drawn under the extended fund facility.

Soon after the June agreement, a World Bank sponsored consultative group met to co-ordinate further aid, and the Paris Club of Western government creditors agreed on rescheduling the bulk of

Continued on Back Page

Volcker willing to tolerate slightly higher money supply

BY DAVID LASCELLES IN WASHINGTON

MR PAUL VOLCKER, chairman of the U.S. Federal Reserve Board, indicated yesterday that he was willing to tolerate a slightly higher level in the U.S. money supply than originally planned, though he reaffirmed the board's intention to stick to its restrictive long-range targets for monetary growth.

In his first public reaction to President Reagan's 1983 Budget, he appealed to Congress to do the utmost to reduce the projected deficits which range between \$95bn (£54bn) in the 1982 financial year to \$72bn in 1985.

This slight softening in the Fed's stance comes in the wake of appeals by the White House for a rate of money growth that would enable the U.S. economy to pull out of recession in the months ahead. It also coincides with an unexpected bulge in the money supply which has sent shivers of alarm through Wall Street and triggered fears of a possible tightening in Fed policy.

Mr Volcker, making his annual report to Congress, was asked about the current level of U.S. interest rates. He said that rates were "extraordinarily high" in the light of objectives and progress made in controlling inflation.

He added that current interest rates would look "very high and attractive" to him if he were an investor in the bond market, but "interest rates

would fluctuate much more greatly in the short run if the Fed attempted to impose rigidity in the money supply.

The Reagan Administration has repeatedly urged the Fed to take various steps to eliminate or moderate the short-term and mid-term fluctuations in the money supply.

Mr Volcker said he felt that M1, the money supply measure based on currency in circulation, travellers' cheques and ordinary bank accounts, could grow a little faster in the first part of this year because it grew a lot more slowly than intended last year. To justify this catch-up, he based the Fed's cutting target for M1 on the level it should have reached last year, not the actual level which was lower.

This is somewhat unconventional since the Fed usually bases growth targets on the money supply's actual rather than intended levels, and some people view it as an artificial and easy solution to the recent bulge.

Reagan's deficit is too high, Page 4

Mercury network approval expected

BY JASON CRISP

MERCURY, the telecommunications network which is being set up to compete with British Telecom, is likely to be given approval next week after months of delays.

Mercury, a consortium involving Cable and Wireless, BP and Barclays Merchant Bank, this week dropped its stipulation that it should be allowed to connect to public international switched telephone circuits.

The members of the consortium are expected to meet next week to decide whether to go ahead with the project. Without the link to international switched circuits the revenues of Mercury will be substantially lower than the consortium had hoped, but the investment is still expected to proceed. The majority of British Telecom's profits come from international calls.

Mercury plans, initially, to link seven major business centres in the UK with optical fibres—hair-thin strands of glass which carry communications in the form of light pulses—laid alongside British Rail's tracks.

Mercury will be able to carry up to 8,000 simultaneous telephone conversations and could be used for data communications and video conferences.

The Government is awaiting the consortium's decision and is expected to make an announcement on Mercury on Monday week. The Department of Industry first gave Cable and Wireless a letter of intent that it would grant Mercury a licence last October.

Since then complex negotiations have been carried out between Mercury, the department and British Telecom. Imported telephones may flood Britain, Page 8

Wood Hall agrees to Elders bid

By Duncan Campbell-Smith

ELDERS IXL, the diversified industrial and farming services group which is Australia's 16th largest company, has launched an agreed \$53.6m takeover bid for Wood Hall Trust, the UK group which has the bulk of its assets in Australia.

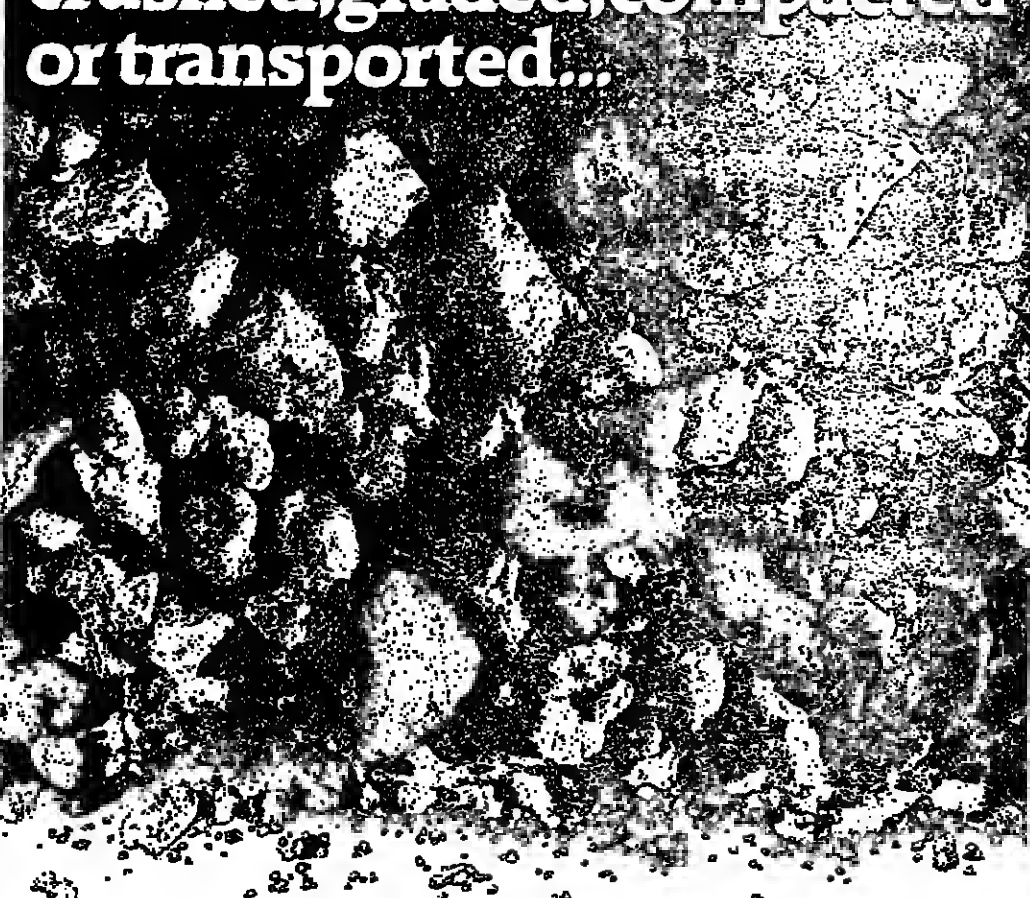
Elders IXL launched a "dawn raid" on Wood Hall's shares on Monday, offering 200p against the previous closing level of 156p. Yesterday, the two companies agreed terms for a takeover with cash offers of 215p and 90p for the ordinary and preferred shares of Wood Hall.

Mr John Elliott, managing director of Elders IXL, said he had approached Mr Michael Richards, Wood Hall's chairman, early on Monday morning. They had reached a deal yesterday morning.

Elders IXL is itself the pro-Continued on Back Page

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Wherever it's being excavated, shifted, levelled, crushed, graded, compacted or transported...



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CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISERS	FALLS
Exch 12pc Cov 85.8921 + 1	NatWest Bank 445 + 7
Tray 12pc Cov 2000-03.5911 + 1	Plassey 365 + 7
BAT Inds 425 + 30	Saga Holidays 179 + 18
BOC 175 + 5	Smith St Anby 4 + 4
Boots 215 + 5	New all pd 14pm + 4
Burton 153 + 5	Sun Alliance 886 + 16
Chubb 210 + 5	Trident TV A 87 + 16
Engla Sta 251 + 7	UDS 77 + 3
Expanded Metal 75 + 5	Wood Hall Tst 215 + 10
GEC 587 + 9	Western Mining 222 + 7
GIL and GUS 183 + 9	
GUS A 492 + 14	
Grindlays 225 + 13	
Hawker Siddeley 386 + 8	
Healey 115 + 5	
Horton Travel 335 + 5	
Huntley & Palmer 848 + 8	
ICI 493 + 10	
Lloyds Bank 493 + 10	

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EUROPEAN NEWS

Swiss urge suspension of security conference

BY ROBERT GRAHAM, IN MADRID

M Pierre Aubert, the Swiss Foreign Minister, yesterday called for the suspension of the European Security (CSCE) which resumed in Madrid on Tuesday after a six-week break.

drag on could seriously harm the CSCE process. "We therefore consider the only reasonable solution is to suspend rapidly the Madrid meeting and to return here after an interruption of several months."

Although the Swiss call was made without consulting other neutral and non-aligned countries, it has confirmed a growing feeling that the conference is unlikely to last more than two weeks.

A Swiss spokesman said that his country would try to introduce a proposal for suspending the conference as soon as possible.

On Friday, there is a new plenary session chaired by Portugal, a Nato member. There are 22 speakers listed including Lord Carrington, the British Foreign Secretary.

The Western speakers are again expected to castigate the Soviet Union over Poland, and Western diplomats do not rule out further disruptive tactics by Warsaw Pact countries.

Again it was emphasised that the Warsaw Pact countries had not staged a walkout, and showed no signs of doing so.

David Satter adds from Moscow: The Soviet Union yesterday accused the West of taking "the road of confrontation and provocations" at the conference in Madrid instead of trying to work for new East-West agreements.

Despite its criticisms, however, the Soviet Union has an important stake in the Helsinki process, particularly in light of the events in Poland, and is expected to draw out the Madrid meeting for as long as possible.

The Soviet news agency Tass said that speeches by Mr Alexander Haig, the U.S. Secretary of State, and by the Belgian and Canadian Foreign Ministers at the conference constituted brazen interference in Poland's internal affairs.

Walesa's deputy to be tried in military court

BY OUR WARSAW CORRESPONDENT

MR MIROSLAW KRUPIŃSKI, deputy chairman of the Solidarity union movement and head of the short-lived national strike committee set up in Gdansk after the introduction of martial law in Poland, is to be tried by a military court.

He was arrested following the crushing of the strike at the Lenin shipyard on December 14 but has been in a Gdansk clinic with a suspected heart condition since then.

According to Mr Bronislaw Majecki, a Gdansk prosecutor, the investigation against Mr Krupiński has been completed and the papers handed over to the military courts.

It is not clear when the trial will be held as there are still doubts about the state of Mr Krupiński's health.

Mr Majecki told Western reporters in Gdansk on Tuesday that Mr Krupiński was the head of Solidarity in Olsztyn until he was elected to the union's executive committee.

An architect by profession, he was a close ally of Mr Lech Walesa, Solidarity's chairman, and noted as one of the most moderate members of the executive. This possibly is why the police did not intern him on the night of December 12 as martial law was being imposed.

Krupiński would be to try the whole of Solidarity. Furthermore, the trial would come as the Roman Catholic Church is negotiating with the authorities about reopening talks between the Government and the Solidarity leadership.

All the indications are that the court's sentence would be severe. The Polish navy court has been banding out heavy penalties to strike leaders. Ms Ewa Kubasiewicz and Mr Jerzy Kowalczyk, who were accused of organising a strike at the navy college in Gdansk, have been jailed for 10 and nine years respectively. Seven others received terms ranging from three to nine years for preparing and distributing leaflets.

The same court this week sentenced four workers from the Gdansk ship repair-yard to sentences of 4-7 years for a strike there last December.

AP adds: Col Juliusz Petrykowski, director of Polish prisons, said yesterday that 4,057 people are still being held in 24 internment camps.

He reiterated that 5,006 people were originally held in camps established after the military regime took power. He also denied reports that Mr Walesa's prison conditions have been tightened. Col Petrykowski said the

Solidarity leader was allowed regular visits by members of the Church and from relatives. His wife had talked to her husband "on numerous occasions."

Reuters adds: Four workers were jailed yesterday for up to four years for organising a strike which ended with seven coal-miners killed when security forces opened fire.

This official PAF news agency reported that a military court in Katowice sentenced the four in connection with a strike at the nearby Wujek mine between December 13, when martial law was imposed in Poland, and December 16.

Thorn finds what little difference a day makes

By John Wyles in Brussels

MARCH 25 looks likely to resemble any other day in the European Community this year, despite the efforts of M Gaston Thorn and his European Commission to persuade governments and their television networks that it is worth celebrating.

The conviction in Brussels is that this is not a day which is as deeply engraved on the hearts of the Community's 270m citizens as it should be.

Indeed, there seems to be considerable reluctance throughout Europe to mark the fact that on March 25 1957 Konrad Adenauer, Paul Henri Spaak and others signed the Treaty of Rome establishing the European Economic Community.

M Thorn toyed for months with the idea of organising a "Eurotelevet" to mark the Community's 25th anniversary. Belatedly, he dined this week with the heads of the TeV's radio and television networks, only to find which is as deeply engraved on the hearts of the Community's 270m citizens as it should be.

Neither would they offer any undertakings to mount a rushed celebration, although the Italian network RAI will probably offer to organise a joint "televet" happening from the room in the historic Campidoglio in which the Treaty was signed.

All of this is a far cry from the dreams and aspirations of old hands in Brussels. A year ago there was some loose talk of holding the March EEC summit in Rome as a commemorative occasion. But then somebody realised that summits rarely present a picture of unity and achievement, and next month's promises more dissension than most.

Optimistically, the Commission put £275,000 into its draft 1982 budget to finance a series of festive happenings. The Scrooge-like finance ministers struck it out. So the Commission has been reduced finally to digging deep into its own pocket to pay for the minutest of Euroevents. Under pressure, a spokesman describes it as "a modest poster campaign."

Khomeini plea

Iran's revolutionary leader, Ayatollah Ruhollah Khomeini has called on the world's Muslims to establish Iranian-style Islamic republics in all Muslim countries, Tehran radio said, AP reports from Beirut.

Shorter working week splits France, writes Terry Dodsworth

Mauroy jobs plan wins no plaudits

THE GUERRILLA war which has exploded in France over the introduction of the 39-hour working week has split the economic community into two main camps. On one side are those who argue that it is desirable both to reduce working hours and continue to pay the same wages.

They are opposed by the moderate, who believe that some salaries will have to be trimmed to pay for the new jobs which are supposed to flow from the measures.

Playing referee in this battle, as M Pierre Mauroy, the Prime Minister, has chosen to do at a round table meeting today, is about as thankless a task as trying to umpire a McEnroe-Conors tennis tie. But M Mauroy really has very little choice. The Government needs to make the moderate line stick on this issue because it is one of the main pivotal points in its economic strategy.

The strategy was designed to cut unemployment, now standing at around 2m, without adding unduly to industry's costs. By offering shorter working hours through the 39-hour week and an extra fifth week of holidays—the Government aims to create room for new jobs. In due course, the 39 hours is to be trimmed to 35, accompanied by a steady, and probably more important, reduction in the legal maximum hours. By limiting overtime, the maximum week has already come down from 48 hours to 46.

Fewer hours worked means higher hourly costs, while more workers mean additional wages and heavier social security payments. There is only one simple, but painful, way round that conundrum in a period of low growth—to share out wages as well as work.

In the government decree introducing the 39-hour week from the beginning of February, it was clearly stated that only workers on the minimum wage had an automatic right to retain their current salaries in full. M Mauroy's formula, however, neatly expressed, is "winning no plaudits from its intended recipients."

First test for pay formula in civil service talks

THE FRENCH Government faces tough talks in the next two weeks with unions representing the country's 4m civil servants over this year's pay proposals, writes David White. The negotiations are the first test of a wage formula proposed by M Jacques Delors, the Finance Minister, as a key part of his campaign to bring down the inflation rate.

The formula, based on a target inflation rate with provisions for later adjustments if prices move faster than expected, met unanimous opposition from the civil service unions this week.

M Anicet Le Pors, the Communist-led CGT union, has called for an "action week" starting on Tuesday to back up its claim, with stoppages on the following Tuesday.

including a 0.3 per cent rise already granted in January. The increases—2.6 per cent in March and June, and 2.5 per cent in September and December—are stepped up automatically at half-year and end-year 1 per cent or more above the projected level.

The unions—even in all-claimed this would involve a loss in real earnings. In addition, they sought specific offers to raise the lowest pay brackets and the use of other indices than the official price figures.

Further meetings have been set for February 16 and 25. The Communist-led CGT union has called for an "action week" starting on Tuesday to back up its claim, with stoppages on the following Tuesday.

Government eases tax burden for textiles

THE FRENCH Government has decided to pump aid into the country's ailing textile industry by relieving companies of some of their social security charges in return for investment or employment measures.

The moves, regarded as a test case for the policy of "reconciling" the domestic market, have last summer when the Socialist Government came into office with the promise of acting in the textile sector as a matter of urgency. Over the past 10 years, some 200,000 jobs have been lost in the industry, while imports rose in well over 50 per cent last year.

One of the main aims of the government programme is to halt this deterioration in the interests of saving the 300,000 jobs that remain in the industry, while halting the rising trade deficit which reached about FF3.6bn (£320m) last year. There will be three main elements in the aid programme, which originally ran into some opposition from the Treasury because of the further direct will involve in the already heavily overburdened social security budget.

Government eases tax burden for textiles

For companies which promise both to invest and increase employment in the industry, a reduction of 12 points will be made in their charges, bringing them down from 42 per cent of salary to 30 per cent.

A second category of companies, which invest and simply maintain employment, will receive a 10 point reduction. A third category, which modernise without specific employment guarantees, will qualify for an 8 point cut.

The total cost of the scheme has been estimated at around FF2.2bn (£180m), but this will clearly depend on the keenness of the response from the hard-pressed industry. The contracts with the companies will be drawn up initially for one year, but may be extended for a second year. French export effort, Page 4

Tehran objects to tribunal judge

By Charles Batchelor in Amsterdam

IRAN wants one of the three "neutral" judges removed from the special tribunal set up in The Hague to hear claims arising from the occupation of the U.S. embassy in Tehran. The judge, Mr Nils Mangard, who is Swedish, withdrew from the proceedings two weeks ago at his own request, according to a senior Iranian official yesterday.

"The job of arbitrator is so sensitive to the governments of Iran and the U.S. that neither can accept an arbitrator who does not seem to be neutral," said Mr Asghar Kasban, head of the legal committee of the bureau established to co-ordinate and implement the Algiers Declaration.

The tribunal was set up under an agreement reached in Algiers in January 1981 providing for the release of the U.S. hostages. It is examining claims filed by companies and individuals in the U.S. and Iran for compensation for unpaid deliveries, broken contracts and expropriated property.

More than 2,000 claims totalling more than \$350m (£194m) have been filed by Iran while the U.S. has made 900-1,000 claims, Mr Kasban said. The U.S. embassy said the value of U.S. claims has been estimated privately at \$10bn.

The Iranians are annoyed about Mr Mangard's alleged reference to the execution of judges in Iran. Mr Mangard replied that he had been talking about the execution of judgments. Mr Kasban declined to comment on the judge's remarks but said it showed a lack of impartiality and disqualified Mr Mangard from holding office.

Bankers worried Iran may sell more gold

BY DAVID MARSH

INTERNATIONAL bullion bankers are seriously worried that Iran may make further sales from its gold holdings to weather pressing financial difficulties.

The danger of forced sales from Iran, together with the overhand of supplies from the two main producers, South Africa and the Soviet Union, is one of the negative factors affecting the gold price, which is fluctuating around \$390 per ounce. "All three countries cannot afford simply to sit on their gold reserves," said one continental dealer.

For several months the country's central bank, Bank Markazi, has been making soundings among international banks to try to raise credits against the collateral of gold through "swap" deals.

Both Tehran and the bullion banks would prefer to arrange "swaps." These involve gold being sold against dollars on the spot market and simultaneously bought back again on the forward market. These deals do not involve outright selling and thus avoid putting downward pressure on the price.

However, Bank Markazi has apparently failed to agree significant swap credits. It has been in contact with West German banks to no avail, and one banker said that attempts to clinch gold-backed credits from

U.S. expands Portugal's grain credits by \$150m

BY DIANA SMITH IN LISBON

PORTUGAL WILL receive an extra \$150m in Commodity Credit Corporation grain facilities from the United States this year, according to Mr Alexander Haig, the U.S. Secretary of State. He made the announcement on arrival in Lisbon yesterday for a 24-hour visit during which he was to have discussions with President Antonio Romalho Eanes, and with Prime Minister Francisco Balsemão and Sr Andre Gonçalves Pereira, the Foreign Minister. The extra credit brings Por-

tugal's grain facilities from the U.S. this year to \$350m, about half the value of estimated grain and animal feedstock purchases. The impoverished, drought-prone country is one of the U.S.'s most important grain clients.

Mr Haig's comment that he hoped to "benefit from Portugal's experience in southern Africa" suggested that peaceful solutions for Angola and Namibia were high on the agenda of his discussions.

According to Dr Günther Herion, head of the West German Building Industry Federation, "the crucial factor behind this crisis is the drastic fall in orders from the central and local authorities."

The public sector accounts for about 25 per cent of all building work—DM 67bn (£15.2bn) of DM 258bn in 1981—in West Germany and for 50-60 per cent of orders booked by the bigger companies. As local and central authorities have cast around with increasing desperation in search of areas where budgets could be cut, building contractors have been among the first to suffer.

From this position of relative strength, the opposition is now proposing a long-term solution based on measures to cut taxes, to stimulate investment and encourage house-building to provide assistance for small and medium sized companies and to reform unemployment benefits.

In search of further savings, local authorities have chopped their planned building investments for 1982 by around 13 per cent from DM 40bn to DM 35bn. The federal and state governments have reduced their building budgets for 1982 by a further DM 5bn-DM 6bn. Only 2.5 per cent of the federal budget is being devoted to building investment this year compared with 3.2 per cent in 1979.

Building sector order books today are 25 per cent below the level of two years ago, and new orders this year are expected to fall to their lowest level since the war, below even the deepest recess

Public spending squeeze throttles West Germany's hard hit builders

BY KEVIN DONE IN FRANKFURT

THE WEST GERMAN construction industry is reeling under its worst recession since the war. Shrinking order books, lengthening queue and a rising wave of bankruptcies are sapping builders' confidence and adding a heavy extra burden in the already flagging West German economy.

Building companies' urgent pleas to Bonn to even out wild fluctuations in the pattern of public sector ordering have largely fallen on deaf ears. As a sop to the industry, the Federal Government is trying to push through changes in Rent Act legislation—against opposition from within the ranks of Chancellor Helmut Schmidt's own Social Democratic Party (SPD)—which would allow private sector rents to rise more quickly.

The Government hopes by this means to breathe at least a little life into a virtually moribund building sector. Bonn is still fighting shy, however, of loosening the state's own purse strings to pump more funds into building investment, even though construction has been harder hit than any other sector by the squeeze on public expenditure.

By last month, 228,000 building workers were without a job in the Federal Republic—compared with 117,000 a year earlier. More than 1,500 building companies were forced into bankruptcy in 1981, the worst

Kohl launches rival jobs scheme

WEST GERMANY'S Christian Democrat opposition yesterday moved to exploit the Government's difficulties over its DM 12.5bn (£2.8bn) job-creation programme by tabling a rival seven-point "offensive" to tackle unemployment, writes James Buchanan.

With opposition eyes firmly fixed on the first of four regional elections on March 21, Herr Helmut Kohl, chairman of the Christian Demo-

crat Union, said his party could not stand by while the number of unemployed was approaching 2m. He said that the opposition was willing to co-operate on some elements of the government programme. But he described the planned one per cent increase in value added tax—designed to finance part of the coalition programme—as "poison" for the current wage round and inflation. The opposition has

the past two years. According to Dr Günther Herion, head of the West German Building Industry Federation, "the crucial factor behind this crisis is the drastic fall in orders from the central and local authorities."

The public sector accounts for about 25 per cent of all building work—DM 67bn (£15.2bn) of DM 258bn in 1981—in West Germany and for 50-60 per cent of orders booked by the bigger companies. As local and central authorities have cast around with increasing desperation in search of areas where budgets could be cut, building contractors have been among the first to suffer.

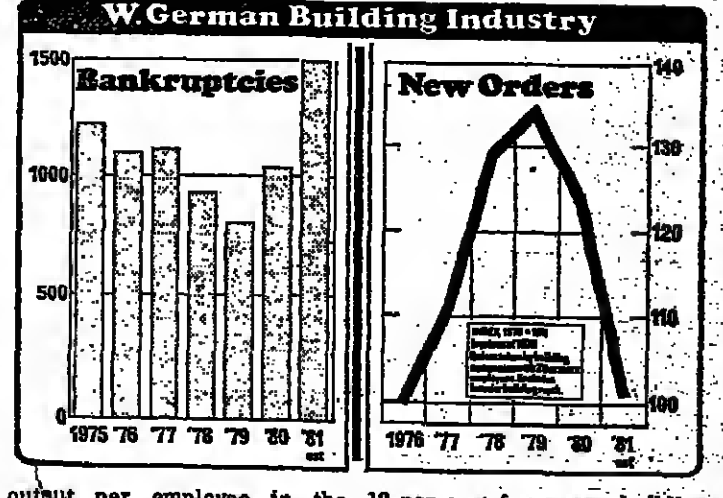
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and 1987. Companies hit hardest by the slump in new orders are those involved in road building. By November last year, order books in this sector had been virtually halved in two years. Compared with November 1979, orders in hand for home building had also dropped by 25 per cent.

New orders have been falling since the beginning of 1980. As companies began to come in the end of old contracts without sufficient new work to replace them, it was inevitable that production too would go into decline. The output of the West German building industry—the most important single sector in terms of its contribution to the gross domestic product—dropped by around 4 per cent in 1981. Building companies see no way of avoiding a further drop of around 6 per cent this year.

The implications for employment are severe. Around 100,000 jobs had been lost by the end of last year and the industry expects a further 100,000 jobs to disappear by the end of 1982. The outlook for employment in the industry is made still more bleak by companies' success in rationalisation and the use of new types of machines. This has meant a structural problem, not even a surge of new orders can avert. The



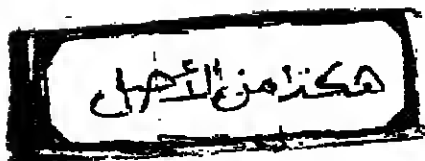
output per employee in the building sector has very nearly doubled since 1980. This surge in productivity has been achieved partly through the increasing use of prefabricated building materials, but most importantly through increasing mechanisation. In 1980, the industry was using one tonne of building machinery per employee. By 1980 investment in new equipment and reductions in the workforce had brought this figure to 4.3 tonnes per worker.

On top of the severe fall in public sector building orders, activity has inevitably been depressed by the long period of surging interest rates. This is reflected by the fact that from January to November last year, 12 per cent fewer new building licenses were granted. Building permissions for detached houses dropped by 25 per cent to 95,300, while 6.1 per cent fewer building licenses were granted for flats. In 1980, 338,000 homes were completed in the Federal Republic—20 per cent less than the period between 1969 and 1971 and 45 per cent less than the record high of 714,000 homes completed in 1973.

Overseas construction is still booming, and West German building groups booked new orders last year totalling around DM 11.5bn, a figure surpassed only once before in 1976 with DM 12.3bn. However, high foreign order books—some of the leading companies are now dependent for more than 60 per cent of their construction activity on foreign contracts—bring little relief to the depression in the home market. They offer work for the engineering offices, but no employment on West German building sites.

Four years ago, there were around 57,800 building companies in the Federal Republic—45,500 had less than 20 employees, 7,751 had between 20 and 50 employees, and 2,800 had between 50 and 100. Only the 45 companies with workforces of more than 1,000 have significant operations outside West Germany. For the rest of the industry—the companies which depend almost entirely on domestic contracts—there appears for the moment to be no way out of the depression. According to Dr Herion, the wave of bankruptcies and restructurings can only gather greater force this year.





PLO braced for possible attack by Israelis

BY OUR BEIRUT CORRESPONDENT

THE Palestinian Liberation Organisation is bracing itself for possible Israeli military intervention against guerrilla targets in the south of Lebanon in breach of the cease-fire accord reached last July.

Tension rose in Beirut yesterday as Mr. Yassir Arafat, chairman of the PLO, warned of Israeli attacks on selected targets. At the same time, he called on Arab states — especially Jordan and Syria — to give the support for guerrilla operations across their borders.

Syria's official Press yesterday accused Israel of preparing for an attack into south Lebanon with the approval of the U.S.

At Beirut, official organ of the ruling party, said in an editorial: "All the reports, signs and threats being issued by Israel's leaders at present against Syria are preparing the way for a widespread Israeli aggression against south Lebanon with the full agreement of the U.S. Administration."

Mr. Arafat has also sent a message to Soviet leaders complaining about what he described as "daily provocations" by the Israelis against the Palestinians and their left-wing Lebanese allies.

Israel is reported to have assured the U.S. and United Nations that it did not intend to start hostilities. But this is being dismissed in Beirut as a diplomatic move to divert attention from a planned military initiative.

Fears about an Israeli strike were aroused after a guerrilla incursion which Mr. Ariel Sharon, Israeli Minister of Defence, said had been made from Jordanian territory.

He alleged that some 18 attempts had been made to infiltrate from Jordan since last summer's truce, 30 attacks had been made on the southern buffer zone controlled by the Israeli-sponsored militias nominally commanded by Major Saad Haddad, and 21 attacks had been made on Jewish targets abroad.

On January 29, three guerrillas were captured by the Israelis in the Jordan Valley and three others escaped after planting mines in the area.

Retaliation is anticipated against the Palestinian presence in south Lebanon because of the alleged build-up of its armed strength which, the Israelis claim, has been directly assisted by the Soviet Union.

Our Foreign Staff writes: Israel is believed to have been poised to launch an attack against the Palestinians in southern Lebanon last week. The operation was apparently called off because of heavy rains and poor visibility.

Subsequently there have been intensive diplomatic exchanges between the U.S. and Israel.

Last week, Mr. Menahem Begin, Israeli Prime Minister, is reported to have dispatched an envoy to Washington and on Monday had talks with Mr. Samuel Lewis, U.S. Ambassador in Tel Aviv.

The U.S. Administration is planning to resume the mission of Mr. Philip Habib, a senior diplomat, who last summer mediated the ceasefire across the Israeli-Lebanese border and defused the crisis caused by the placement of Syrian missiles in the Bekaa Valley of the Lebanon.

Arrested Zimbabwe MP appeals

Mr. Wally Stuttaford, the white Zimbabwean MP arrested in December for allegedly plotting against the Government, has appealed against his indefinite detention order, our Foreign Staff reports.

Under the Law and Order (Maintenance) Act introduced by the former white minority Government, he has the right to have his case reviewed by a tribunal. But Mr. Richard Howe, the Minister of Home Affairs who signed the detention order, is not legally bound to accept the tribunal's recommendations.

S. Africa growth

South African real Gross Domestic Product will grow about 1.5 per cent this year, compared with about 4.5 per cent last year, assuming a normal year for the agricultural sector, the South African National Life Assurance Company (Sanlam) yesterday in an economic survey said, Reuter reports from Johannesburg.

Chan Si moves up

Kampuchea's Hanol-backed Government has named Deputy Prime Minister Chan Si as Prime Minister, replacing the ousted former strongman, Pen Sovan, Reuter reports from Bangkok.

Chan Si was unanimously elected Chairman of the Council of Ministers by the National Assembly, the Vietnam News Agency said. He had been acting Prime Minister since shortly after Pen Sovan was removed from power for "health reasons" in December. Pen Sovan is widely believed to be in Hanoi and diplomats say he is under house arrest.

Philippines fighting

Philippine Government troops yesterday reported heavy fighting against Communist guerrillas in the mountains east of Manila, where President Marcos' son-in-law, Tommy Manotoc, was rescued from kidnappers on Monday, Reuter reports from Manila.

Military headquarters said extra troops had been sent in, and the guerrillas were believed to have suffered heavy casualties.

'Bid to kill' Minister

Afghan rebel assassination squads have killed many members of the ruling People's Democratic Party in recent months and there are unconfirmed reports of an attempt on the life of a minister, diplomats said in New Delhi yesterday, Reuter reports from New Delhi.

Since an unsuccessful attempt to kill the Afghan Trade Minister, Mr. Mohammad Khan Jalilar, was reported, security in the area of Kabul where he lives has been tightened, they added.

Zambia copper loan

Zambia will receive a loan of £25m from the European Economic Community to help its mining industry increase its falling copper production, under an agreement signed yesterday, Reuter reports from Lusaka.

David Lennon, recently in the Gaza Strip, meets families in fear of separation Sinai withdrawal threatens frontier tragedy

IN THE volatile Middle East, many people are wondering if the peace between Egypt and Israel will last. The people of Rafah, a small, dusty town of tatty houses and scruffy shops, which straddles the former international border between Egyptian Sinai and the Israeli-controlled Gaza Strip, know they will be the first to suffer if the peace breaks down.

In 10 weeks from now, the border is due to be re-established. It will run across Rafah's main road and many homes may have to be demolished to create a security strip along the new frontier.

"I don't care if they offer me a new house made of sweets and candy sticks, I don't want to move," an irate Rafah resident said as he stood on the once and future border line on the main street.

"His home and shop lie within the 40-metre stretch the Israelis want to clear," explains Mr. Kamal Ma'adi, a town councillor and local insurance broker.

The house of another resident, the head of the El Shafar family, one of the largest in Rafah, actually straddles the border. Standing on the roof, he points south and says: "My

soo," and then points north, saying "His father." Mr. El Shafar explains that his extended family is spread through about 100 homes in Rafah and the border will divide father from son, mother from daughter.

The international border between Egypt and Israel, which is to be re-established when Israel withdraws from Sinai on April 26, was first drawn in 1906 by the two great powers in the Middle East at the time, Britain and Turkey. Then, all of Rafah lay to the north of the border.

As rulers came and went, the town grew on both sides of the border, which ceased to exist after Israel captured the area in 1967. Homes, shops, small factories and even mosques have been built alongside and actually on the old border. Now they must be divided up.

This week, Egyptian and Israeli army officers argued about just where the border should run, but could not agree. They will meet again in three weeks to continue their debate.

But for the 90,000 inhabitants of Rafah, more than half of them Palestinian refugees who lost their homes in 1948, the delay adds to their growing



worries about the future.

If there are no border adjustments, then Israel intends to cut a 40-metre swathe through the town on the Gaza Strip side of the border. This would mean that more than 130 houses and gardens will have to be demolished along the border, and 516 Palestinian refugee families will have to be moved from their camp on the Egyptian side to the Israeli-controlled area.

No one yet knows how broad a border strip Egypt intends to clear on its side, but it could

mean that many more homes and shops will be knocked down as a gap is created to prevent illegal crossings and smuggling across the new border.

In the case of Mr. Ma'adi, it will divide wife from wife, because he has two, one on either side of the town.

The best solution for the town, according to Mr. Ma'adi, would be to have only a nominal border running through it, with the security border being located outside it to the south in the case of Egypt and to the north on the Israeli side.

However, it is unlikely that this, or another proposal that the border be re-drawn to leave the entirety of the town on one side or the other of the border will be accepted. The Egyptians do not want to take all of Rafah, lest they are accused of stealing Palestinian land, but at the same time Cairo does not want to give up any of the territory which rightfully belongs to it.

Three distinct groups make up the population of Rafah. The Egyptians want to return to Egyptian rule, but also want arrangements to allow them to visit their families on the other side.

The Palestinians are divided into two groups; the original residents, and the Palestinian refugees who moved there after 1948. The Palestinian residents want access to their properties and farms on the other side of the border. The refugees want to live on the Israeli-controlled Palestinian side of the border.

This means that 561 Palestinian families, about 4,000 people, who were re-housed in the early 1970s in a new camp, Camp Canada, named after the Canadian UN contingent which used to be located there, will have to move back across the border.

At present, there is no sign of any attempt by Israel to prepare new housing for the residents of Camp Canada. Today, it is a miserable warren of overcrowded dwellings of people who still dream of returning to their old homes in the part of Palestine which is now Israel.

Provided the peace treaty does not break down, Rafah will be divided on April 26. Once the border is re-established, the people of the one town on its route will continue to live in doubt, because they will be the first to feel the effects of any tensions between Israel and Egypt. Any closing of the border could mean tragedy for the divided families.

Polisario Front rejects OAU plan for peace

BY FRANCIS GIBLES

THE POLISARIO Front, which is fighting for the independence of the Western Sahara, yesterday rejected a peace plan put forward by the Organisation of African Unity (OAU) to end its six-year war with Morocco over the future of the ex-Spanish colony.

Foreign Ministers of the OAU had broken with previous practice last Sunday when they recommended that the warring parties, Morocco and Polisario, negotiate on the peace proposals.

The Assistant Secretary-General of the OAU, Mr. Peter Onu had declared that "the time had come to name the two parties concerned." Doing so would amount to official recognition of Polisario by the OAU.

The Moroccans have always strongly rejected such an idea, claiming that Polisario are simply mercenaries of the Algerians and that any negotiations would have to be between Morocco and Algeria.

Their position was upheld however, when President Arap

Mol, of Kenya, who chairs the committee of seven African heads of state set up two years ago to find a peace formula in the Western Sahara, overruled the decision of the Foreign Ministers.

"The committee had decided not to name the warring parties although we know who the parties are," he declared.

These contradictory decisions reflect a more fundamental difficulty. While King Hassan of Morocco has accepted the idea of consulting the Saharans, he has made it clear he expects any referendum to contain Moroccan rule.

Secondly, neither the OAU nor the warring parties have said who is to be consulted: those people living in the Western Sahara, which include many Moroccans who have moved there since 1975, or the 100,000-odd Saharan refugees in South West Algeria, or both.

A clear decision on this latter point would make all the difference.

Aggett death protests grow

BY J. D. F. JONES IN JOHANNESBURG

SOUTH AFRICA'S employers' organisations have joined trade unions in the nationwide protests over the death in detention last week of Dr Neil Aggett, a young union organiser.

A half-hour work stoppage will be held this morning throughout the republic, linked with protest meetings in the cities and townships. The stoppage was originally proposed by

Dr Aggett's union, the Food and Canning Workers Union, and the idea has been taken up by all the radical trade unions.

The major employers' organisation, the Federated Chamber of Industries (FCI), has responded to the public protest by advising its members in effect to tolerate the stoppage.

Both the FCI and its counterpart in the commercial field,

Assocom, responded to Dr Aggett's death last Friday in an unprecedented way when both presidents issued statements expressing concern about the system of detention without trial.

Dr Aggett was found dead in his cell—allegedly by suicide—early last Friday morning. He had been held in solitary confinement for interrogation for two months.

China issues oil rules

PEKING—China yesterday issued its regulations for foreign companies to join in the search for the nation's offshore oil.

China will invite bids from foreign companies as soon as it sets up the China National Offshore Oil Corporation, which will be in charge of offshore exploration, the official Xinhua News Agency reported.

It did not say when the corporation would be set up, but Chinese officials have said bids

will be invited early this year. Some foreign oil specialists have predicted that development of China's offshore oil fields will allow this nation to double its current production of 100m tons a year in about 20 years.

China took steps to clear the way for U.S. oil companies to join in Chinese oil development by adopting a law on income taxes for foreign enterprises last year.

AP

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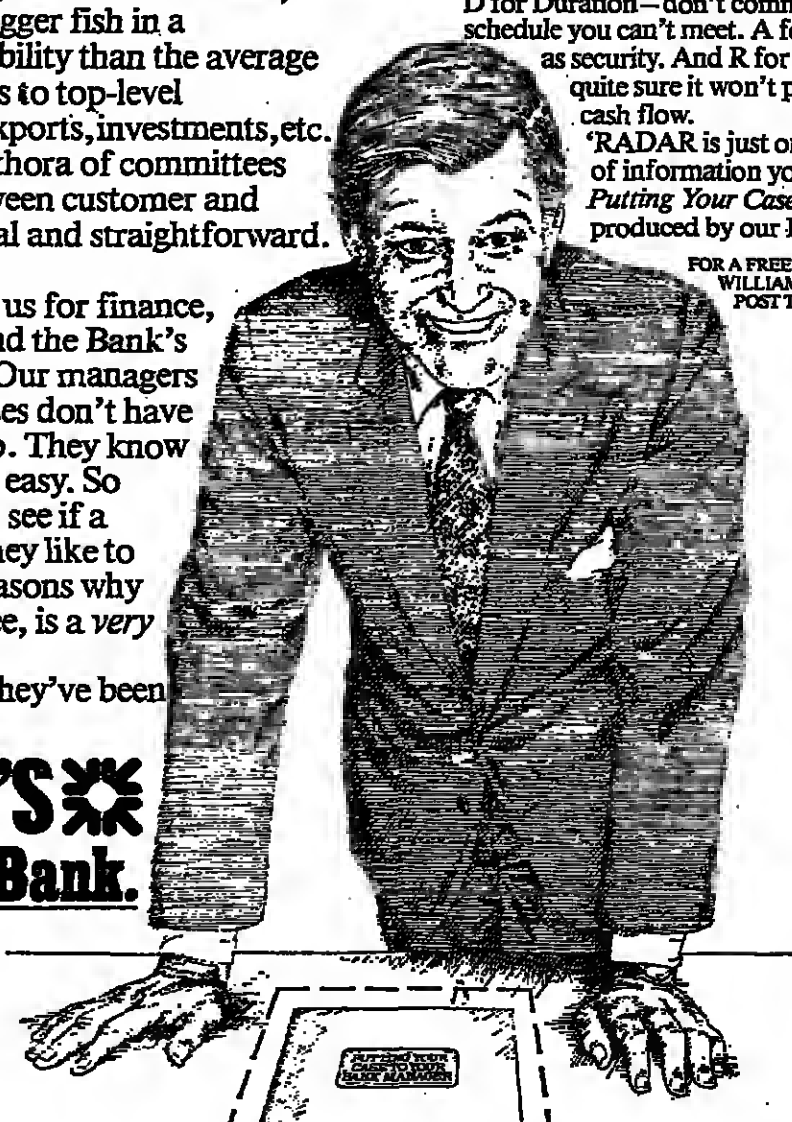
That's why, when customers come to us for finance, they're always sure of a quick decision. And the Bank's response will always be constructive, too. Our managers know that people running smaller businesses don't have big accounts departments backing them up. They know that putting a case together for a loan isn't easy. So they're always ready to offer advice and to see if a proposition can be knocked into shape. They like to look for reasons why they can lend, not reasons why they can't. And that, most people will agree, is a very different approach to business borrowing.

People say all banks are alike—until they've been to Williams & Glyn's.

'Here's one good tip if you're putting up a case for a loan,' says Bill Wagstaff.

Only too often a sound case for a loan is delayed or loses out altogether purely because it has been inadequately prepared. Always make sure you give a manager all the information he needs. A useful acronym is RADAR. R for Reason—why you need the money. A for the Amount—make sure it's a realistic assessment. D for Duration—don't commit yourself to a repayment schedule you can't meet. A for Assets—what you can offer as security. And R for Repayment—you must be quite sure it won't put too much strain on your cash flow.

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AMERICAN NEWS

Reagan admits budget deficit is 'too high'

BY ANATOLE KALETSKY IN WASHINGTON

President Reagan admitted yesterday, in his Annual Economic Report to Congress, that the budget deficits which he has proposed are "undesirably high." His Council of Economic Advisers, in its detailed analysis of the economy attached to the report, conceded that the Government's heavy borrowing would keep interest rates high and ration weak and marginal borrowers out of credit markets.

Worst year for U.S. airlines

By Ian Hargreaves in New York

U.S. AIRLINES had the worst financial year in their history in 1981, the Air Transport Association of America reports.

The association estimated that together, the major U.S. carriers lost \$300m (£161m) last year, with losses of \$350m to \$400m in the final quarter, swamping profits from the first half of the year.

The association says it expects the rate of losses in the fourth quarter to continue in the first quarter of this year and that between July 1981 and July 1982, the industry will lose \$1bn.

The figures reflect the second successive annual drop in passenger traffic, which meant that in spite of service reductions, U.S. airlines filled only 58.3 per cent of their seats last year, down from 59 per cent in 1980.

This, and the growing impact of deregulation, contributed to heavy price-cutting on many routes and worsened the airlines' returns.

Another major factor was the disruption caused by the air traffic control strike last August, which the association estimates cost the industry \$150m.

Higher interest charges also weighed heavily. It is obvious that the airlines are in a depression deeper than they have ever known and that a further shake-out in capacity and operators is likely.

In 1978, the industry's last good year, airlines recorded profits of \$1.4bn. In 1980, the industry lost \$225m.

\$1.25bn bid for Gulf of Mexico concessions

BY RAY DAFTER, ENERGY EDITOR, IN HOUSTON

OIL COMPANIES have bid about \$1.25bn (£672m) to obtain new exploration concessions in the Gulf of Mexico.

Exxon, Shell Oil, Conoco, and Getty Oil were the most active bidders among 111 companies taking part in the auction this week.

Conoco led a group which bid \$55.1m for a licence off Alabama close to a Mobil gas discovery. A Shell Oil consortium submitted the second highest winning offer—\$53.5m for a concession off Texas.

The lease sale marks the start of a five-year programme which could provide the industry with an opportunity to bid over 40 times for new drilling permits throughout the U.S.

Six more auctions are due later this year, including one for particularly promising exploration acreage in the Beaufort Sea off Alaska.

The draft schedule has been drawn up by the Reagan Administration to stimulate exploration, particularly offshore and in Alaska.

The sale of leases should raise tens of billions of dollars for the government. Probably more important, they should help the U.S. lessen its dependence on imported oil over the next 20 years.

According to Shell Oil, U.S. oil production which was running at about 3.6m barrels a day last year could increase slightly up to the turn of the century, in contrast to the falling output of the late 1970s.

"Spare capacity had returned to the rig market. Although exploration investment would continue to rise, the number of wells drilled might fall as the company concentrated on the most promising but most technologically challenging and thus costliest prospects."

The industry also saw signs of the slowdown in this week's lease sale. Companies submitted offers for only 69 per cent of the 234 tracts in the auction. A truer test of industry confidence should come with the Beaufort Sea auction. The industry regards Alaska as being one of the prime targets for new oil and gas finds.

Shell Oil, which has declared its determination of winning a large part of northern drilling opportunities, believes that Alaska contains about 60 per cent of the recoverable oil remaining to be discovered in the U.S.

These figures compare with present U.S. proved reserves of 29.8bn barrels of oil and 198 mthou million cubic feet of gas.

Nasa considers offer for private space shuttle

BY OUR U.S. EDITOR IN WASHINGTON

THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (Nasa) is seriously considering the offer by a private company in New Jersey to buy a space shuttle, at an estimated cost of \$1bn, and to charge fees for launching foreign and commercial satellites.

Mr James Beggs, Nasa Administrator, told a Congressional sub-committee yesterday that the proposal, from the Space Transportation Company of Princeton, New Jersey, would be given serious consideration.

Nasa now has one space shuttle, the Columbia, with three more under construction by Rockwell International in California. The private shuttle would be the first. It would operate alongside the others as part of the Nasa fleet and also carry out Government and military tasks.

Space Transportation would charge the "going rate" for shuttle launches and reimburse Nasa for its operating costs. The company might also recover its investment in the shuttle from commercial and foreign users, which it expected to account for up to 25 per cent of shuttle activity in coming years, and for which it wanted to be sole agent.

Interior Secretary is accused of contempt

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

A HOUSE of Representatives sub-committee has voted to cite Mr James Watt, the U.S. Secretary of the Interior, for contempt of Congress in refusing to supply information requested during an investigation of Canada's oil and gas policies.

The Energy and Commerce Oversight Sub-committee passed a resolution accusing him of "contumacious failure" to comply with a subpoena and answer questions during a hearing last year.

If the resolution is approved by the full committee and then by the House, Mr Watt could face prosecution in a Federal court or even trial by the House. Such cases rarely go as far as trial, but Mr Watt is exceptionally unpopular with a number of congressional committees.

Democrats on the sub-committee charged the Interior Department with a "pattern of obstructionism" in response to requests for information. At issue in the Canadian case are eight questions that Mr Watt refused to answer and about 10 documents.

The Administration said the disputed documents could not be handed over because they contained sensitive discussions of foreign policy affairs or were government working papers protected by law.

Chemical arms decision backed

BY JIMMY BURNS IN BUENOS AIRES

THE ARGENTINE GOVERNMENT plans to open up the oil industry to greater foreign investment have come under renewed attack from the major opposition parties and from nationalist elements within the military establishment.

Sr Deolindo Bittel, the vice president of Argentina's major political grouping, the Peronist Party, said that he was "profoundly worried" by indications that the Government was considering a liberalisation of Argentina's mining code.

The code vests all sub-soil rights in the state and limits foreign oil companies to exploiting the country's oil resources only under risk contract with the state-owned hydrocarbons monopoly, Yacimientos Petroliferos Fiscales (YPF).

The changes being considered by the Government include basing the mining code on the U.S. model, under which foreign companies may own the oil fields they exploit.

Sr Bittel, who is acting president in the absence of the exiled Isabella Peron, said that the Argentine sub-soil "belonged to the nation" and that any change in the mining code should only be considered after a democratically elected congress.

Similar statements were made last weekend by the Christian Democrat Party, and by the Social Democrat Party—a recently created grouping led by the retired Admiral Emilio Massera, a former member of the military junta. The Social Democrats said that changes in the mining code would "undermine the security of the state and national sovereignty."

Recently, Sr Roberto Alemann, the Economy Minister, said that he thought it "possible" that all future exploration would be put in foreign hands. He has asked a special commission to draw up within the next two months a plan favouring a more rapid and efficient exploration of Argentina's considerable reserves.

Total oil production is put at about 500,000 barrels per day and proven reserves are estimated at 2.4bn barrels per day. YPF is responsible for more than 64 per cent of the total production. Foreign oil companies, including Esso and Shell, operating with risk contracts, are drilling some 30 wells in the South Atlantic.

The Government plan, however, remains highly controversial at a time when politicians are increasingly defying an official ban on their activity and criticising the military regime.

Last month, Multipartidaria, the opposition alliance of the five major parties including the Peronists and the Radicals, threatened to revoke by act of Congress all denationalisation decisions taken by the military regime if and when one of them was democratically elected.

The prospect of losing any benefits from an amended mining code without compensation is thought to be of considerable concern to oil companies either already operating in Argentina or else considering doing so in the short to medium term future.

Most foreign oil companies are seeking certain concessions from the Government, but none which would necessitate major amendments to the present legislation.

Argentine opposition attacks Government oil plan

THE ARGENTINE GOVERNMENT plans to open up the oil industry to greater foreign investment have come under renewed attack from the major opposition parties and from nationalist elements within the military establishment.

Sr Deolindo Bittel, the vice president of Argentina's major political grouping, the Peronist Party, said that he was "profoundly worried" by indications that the Government was considering a liberalisation of Argentina's mining code.

The code vests all sub-soil rights in the state and limits foreign oil companies to exploiting the country's oil resources only under risk contract with the state-owned hydrocarbons monopoly, Yacimientos Petroliferos Fiscales (YPF).

The changes being considered by the Government include basing the mining code on the U.S. model, under which foreign companies may own the oil fields they exploit.

Sr Bittel, who is acting president in the absence of the exiled Isabella Peron, said that the Argentine sub-soil "belonged to the nation" and that any change in the mining code should only be considered after a democratically elected congress.

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Guatemala City blackout

GUATEMALA CITY—A series of terrorist bombs blacked out Guatemala City for over an hour on Tuesday night, about 24 hours after the nation's four major left-wing guerrilla groups announced they had joined forces in their battle to topple the military Government of General Fernando Romeo Lucas Garcia.

Bombs also disrupted electric power supplies in Antigua, Guatemala, 27 miles west of the capital, and at Amaticlan, about 15 miles to the south.

On Monday night, bands of guerrillas briefly occupied three radio stations in Guatemala City to broadcast announcements of their decision to unify the nation's guerrilla forces.

Hundreds of people have already been killed in the guerrillas' four-year struggle against the Government.

The next hurdle will be for Iran to make the first \$1.9bn instalment due later this month on a \$2.2bn loan extended directly by the ICDC. Mitsui has asked the banks for a one-year postponement of payments on the ICDC loan without success.

The deal is a major breakthrough because not only are the Japanese one of the world's major buyers of shirts, but they buy almost none from abroad.

The Japanese buy just under eight shirts a year each, compared with just under five bought by Britons. The U.S. male is the world's biggest buyer, taking just over eight.

Langford has been selling a small number of shirts to Japan for 11 years but at a local price of ¥11,000 (about £28) they were appealing only to a specialist market.

Mr John Langford, managing director of the London company, said yesterday that "Japan has always been a very limited market for us, mostly with the top chains. We were too expensive for the mass market, but under this new agreement we shall be in all the main stores."

"One of our problems in the past is that because of the different physical characteristics of Japanese men we have had to produce a different shirt from that wanted by Western men. This has tended to keep the price up."

Langford will receive a royalty payment from Alps in a five-year deal which begins on July 1. Part of the arrangement is that the London company will supply technical know-how on how to make the shirts look more international.

"The Japanese are very conservative and very neat in their dress," Mr Langford stated. "We aim to produce styles with a more international flavour in colour and design."

Under the deal with Alps the Langford range will sell in Japan in the area of ¥3,000 to ¥4,000 (about £15), which puts them into direct competition with their Japanese competitors.

Marubeni also has the first option on any other garments that Langford may diversify into the future.

Iran pays Bandar Khomeini loan interest on time

BY RICHARD C. HANSON IN TOKYO

IRAN, to the relief of its Japanese partners, yesterday paid on schedule ¥12.4bn (£28m) in interest and principal due on the loans extended by Japan for the troubled Bandar Khomeini petrochemical project.

Last month Iran's National Petrochemical Company sounded out the Japanese partner in the joint venture, the Iran Chemical Development Corporation (ICDC) on the possibility of deferring repayment on the principal.

According to Mitsui and Co, the biggest shareholder in ICDC, payment of ¥3.6bn was received on the deferred payment on the suppliers credit Mitsui had arranged.

Payment on interest and principal of ¥1.5bn (¥960m principal) was made on a government loan extended by the Export-Import Bank amounting to ¥28.8bn. Payment of ¥7.3bn (¥5bn principal) was also received on a direct loan from private banks and the Export-Import Bank which totals ¥60bn.

Langford to produce shirts in Japan

By Anthony Moreton, Textiles Correspondent

JOHN LANGFORD of London has reached an agreement with Marubeni, one of Japan's largest trading houses, to produce its shirts there in conjunction with Alps, one of the country's leading manufacturers.

The deal is a major breakthrough because not only are the Japanese one of the world's major buyers of shirts, but they buy almost none from abroad.

The Japanese buy just under eight shirts a year each, compared with just under five bought by Britons. The U.S. male is the world's biggest buyer, taking just over eight.

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WORLD TRADE NEWS

Jobert demands more from French exporters

BY TERRY DODSWORTH IN PARIS

FRENCH exporters had a better year in 1981, but it was not good enough for Michel Jobert, France's dynamic Trade Minister.

Commenting on the slight reduction in the trade deficit from Ffr 62bn to Ffr 59bn (£5.4bn), he warned that 1982 would bring a big deterioration. France would have to be "extremely attentive," he said, to avoid running up a record Ffr 100bn (£8.3bn) imbalance this year.

Mr Jobert's Cassandra-like forecast highlights the steady decay in France's underlying trade performance in the latter half of the 1970s. At home, the French economy has become much more vulnerable to imports; overseas, the exporters who recently pushed the country into fourth place in the world league, are now falling behind in the big industrial markets where business—and margins—are safest.

These weaknesses show up graphically in various parts of France's trade in relatively sophisticated goods last year. At home for example, it was hit hard in the household equipment sector, where domestic manufacturers, after their 1980 performance in the 1980, are now no longer able of satisfying demand. The deficit in this area rose to Ffr 7.9bn from Ffr 5.6bn in 1980.

Similarly, on the export side, France's forceful surge into one of the leading positions in the world car industry is now beginning to stall. After lustre growth in 1980, the motor industry surplus fell in value terms last year from Ffr 28bn to Ffr 27.3bn. This drop compared with an overall French inflation rate of 14 per cent.

Socialist economists believe there are two deep-seated problems behind these trends. In the domestic market, they argue, many sectors have become vulnerable in the last few years because they have failed to modernise and reduce costs so as to cope with international competition. Importers are thus taking advantage of the lack of investment in new products in France over the last eight years or so.

Figures for 1980 show that in several industries foreign penetration has gone well over 50 per cent, even in high technology areas like information treatment or office equipment, where France has set its sights on rapid growth. The French market is hungry for U.S. industrial electronics, Japanese consumer electronics and West German engineering equipment.

In overseas markets, the Socialist claim, the same underlying weaknesses are undermining France's position in the developed industrial world. Over the last few years, the deficit with the EEC—in particular West Germany—the U.S. and Japan has increased steadily. In some products, such as machine tools or electronics, it has become chronic.

Up to now, these failings in the big industrial markets have been masked by rebounding success in Third-World countries. France's aggressive Government-backed selling techniques, combined with the country's reputation for reliable traditional technology and willingness to set up attractive credit packages, have won it dividends.

But as Mr Jobert made clear, the Government now wants to balance this position in the Third World with an improvement in its trade with the industrialised nations. Many of the subsidised developing country deals, he commented, were probably not profitable, except in providing work and activity in France.

Apart from profitability, several of these contracts have also begun to look less secure. In the past two or three years, in 1979 and 1980, for example, Coface, the French export insurance agency, is reckoned to have had to cover about Ffr 7.6bn of bad debts.

Bolivia and Argentina in gas deal wrangle

BY JIMMY BURNS IN BUENOS AIRES

BOLIVIA, already beset by a political and economic crisis, is engaged in a trade wrangle with one of its neighbours.

A Bolivian trade mission led by Sr Jorge Zamora, the Energy Minister, arrived in Buenos Aires this week to try to break deadlocked negotiations with Argentina over a gas deal.

Argentina was one of the first countries to back the military takeover in Bolivia in July, 1980, in defiance of the Carter Government of the U.S., the EEC, and other Latin American countries which criticised the coup.

The Argentine military government, led then by President Jorge Videla, is reported to have subsequently offered financial and food aid to the Bolivians.

However, sharp differences have arisen recently between the two countries over the renewal of a gas contract which should have been signed a month ago.

Under terms of an agreement signed in 1975, Argentina currently buys an estimated 200m cu ft a day of natural gas from Bolivia. But the two have failed to agree on new prices which, according to the agreement, must be updated each six months.

Bolivia has been selling its gas at \$3.82 per cu ft and has requested a 14 per cent increase in price.

Argentina has countered by offering a 6 per cent increase.

S. Africa moves towards barter trading

BY BERNARD SIMON IN JOHANNESBURG

SOUTH AFRICA is believed to be negotiating a substantial maize-for-ammonia barter deal with Romania.

Mr Hennie Nel, general manager of the Parastatal Maize Board, confirmed yesterday that it was willing to enter into barter transactions, but said that the matter was "very sensitive." Mr Nel refused to comment on reports that he and the chairman of the board had visited Romania recently.

UK engineers involved in Peru deal

BY MICHAEL CASH

RINNIE AND PARTNERS, the British consulting engineers, have been appointed to lead an international group of consultants in the design and tender stages of a \$250m water transfer scheme in Peru.

A contract signed in Washington by representatives of the Peruvian Government and the consultants will give Rinnie the leadership of a team drawn from the UK and Switzerland.

The project involves the transfer of water from the Mantaro River on the eastern side of the Andes to the Rimac River, which flows through Lima, into the Pacific.

The scheme will substantially increase Peru's electricity output and meet Lima's water needs until the end of the century.

According to a local newspaper report, Romania "cannot afford to pay for maize imports, but is prepared to offer fertiliser raw materials in exchange."

The Government has been approached for an import permit for the ammonia.

None of its production.

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Interior Secretary is accused of contempt

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

A HOUSE of Representatives sub-committee has voted to cite Mr James Watt, the U.S. Secretary of the Interior, for contempt of Congress in refusing to supply information requested during an investigation of Canada's oil and gas policies.

The Energy and Commerce Oversight Sub-committee passed a resolution accusing him of "contumacious failure" to comply with a subpoena and answer questions during a hearing last year.

If the resolution is approved by the full committee and then by the House, Mr Watt could face prosecution in a Federal court or even trial by the House. Such cases rarely go as far as trial, but Mr Watt is exceptionally unpopular with a number of congressional committees.

Democrats on the sub-committee charged the Interior Department with a "pattern of obstructionism" in response to requests for information. At issue in the Canadian case are eight questions that Mr Watt refused to answer and about 10 documents.

The Administration said the disputed documents could not be handed over because they contained sensitive discussions of foreign policy affairs or were government working papers protected by law.



Mr James Watt unpopular figure with committees

هكزمن التصل



Sometimes we hate being Europe's most punctual airline.

Everyone wants an airline to leave on the button except the man who's late. He wants it to wait. So most airlines do. Otherwise they lose a friend and a fare. How do we know? Last year we decided to build our airline round the needs of the businessman. And as businessmen like to be on time we vowed we would be too. Thanks to heaven, air traffic, gremlins and wondrous efforts by our ground crews, we usually are. According to the latest published data we have moved from number two in the

punctuality league to number one. Dare we say it, we think we've pipped other airlines with the rest of our service as well. Our seats, where first class used to be, have more kneeroom. Only two or three inches more but enough to save you hating the man in front of you when he leans back. Our drinks are free. It doesn't save you much but it does save you the hassle of searching for loose change. Our meals have a decidedly Scandinavian flavour. And our orange juice, coffee and rolls

keep coming long after we've collected your tray. On the ground you'll find separate check-ins and private lounges. While you wait for your flight you can take coffee, buy a cocktail, flick through the latest magazines or ask us to book tickets and hotels for you. All of this comes to you when you fly by our new EuroClass. It costs no more than other airlines' economy class.

SAS
EuroClass
Scandinavian Airlines System

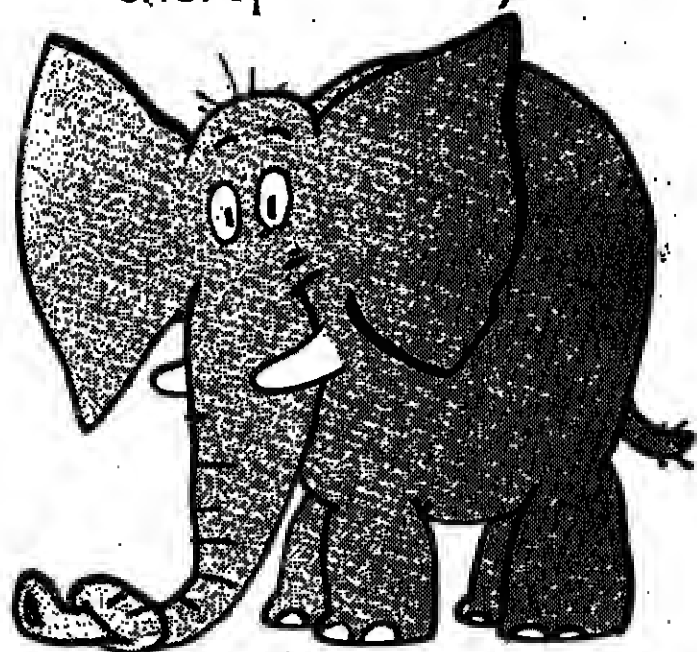
February 11 1982
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involved in
Peru deal

Whether you need a typewriter or a word processor depends on how much you want to remember.

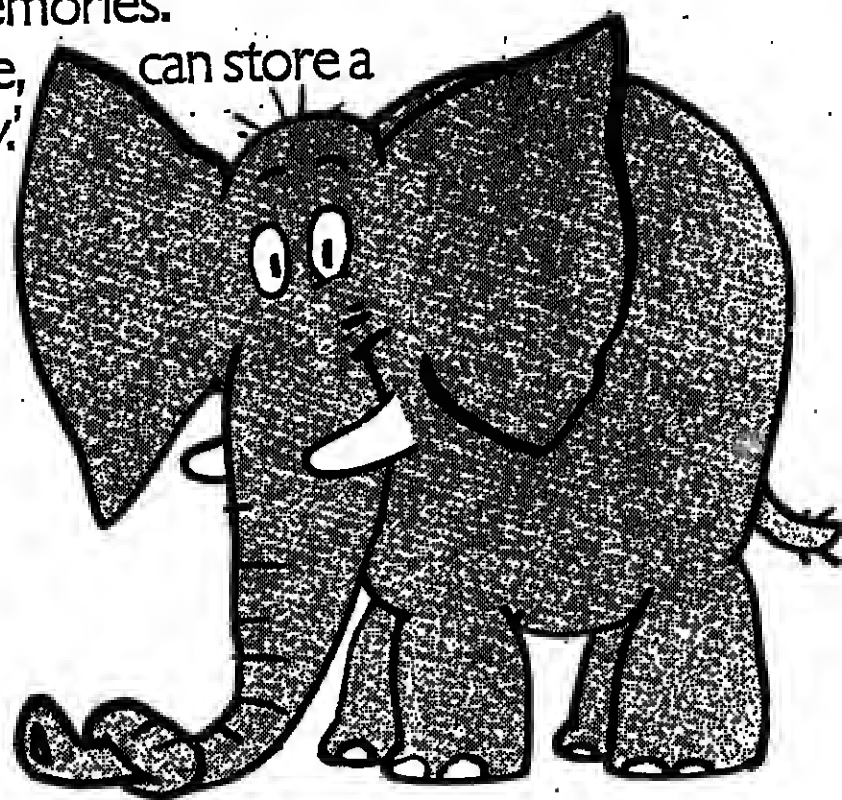
It might help you choose if you stop thinking of typewriters and word processors as different animals. Instead, try seeing them as different sizes of the same animal.

With different sizes of memories.

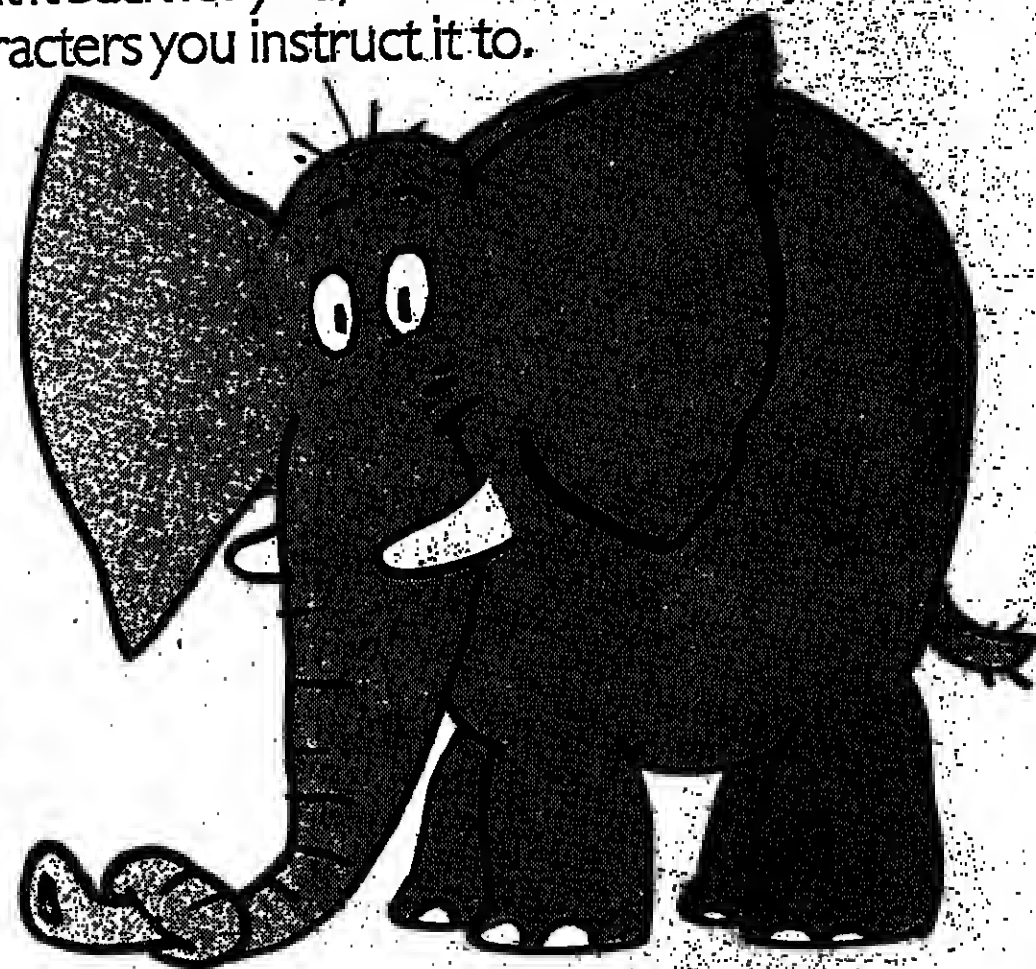
So that some, for example, can store a short phrase like 'yours sincerely.'



Our 121 typewriter
can remember 1 line.



Our 221 typewriter
can remember 2 lines.



Our 231 typewriter
can remember 7 pages.

While others can memorise the complete works of Shakespeare.

Let's start with a guided tour of our basic model, the Olivetti 121, and work up.

The smallest memory.

The first thing you'll notice is how quiet it is. Like someone typing in a cupboard.

When you take the lid off you'll have another surprise.

It seems empty.

Instead of levers, swivel joints, and springs there are microchips and sensors.

And instead of handfuls of clattery keys there's a 'daisy wheel' with all the letters on little stalks.

Whereas the old electric golfballs have about 2500 moving parts, our electronic typewriters have just 100.

This new technology gives you features unknown to the old.

It can centre headings automatically, for instance.

But of course, it's the first vestiges of memory that fascinate most people.

The 121 can store a line of type. It can't print it back for you, but it can correct any or all of the characters you instruct it to.

Its bigger brother is called the 221.

The growing memory

It can memorise two lines or 100 words.

What's more, it'll show them to you on a visual display panel before it prints them.

So if they're not the pure gems you intended you can cut and polish them.

With equal precision it will justify a line to the right hand margin to give a neat edge like a book's, not a ragged one like a letter's.

It'll also recall standard phrases on demand: your title, for example.

Your secretary just presses a key and it'll print it perfectly, as many times as she wants.

The start of something big

These features alone are worth the extra money (and if it's any interest to you, the 221 is seen as the 'hot' machine inside Olivetti).

But if you want a typewriter that can store even more inside you have only to look at our 231.

It can remember seven pages. And print half as

مكتبة العمل

fast again as its smaller brother.

After this, you make the big step to our first machine with a memory store outside, our 351.

The floppy disk that holds as much as a filing cabinet.

The 351 stores its information on floppy discs, or, as the computer generation insists, 'disks'.

However you spell it, it's a great concept.

Each disk can store 64 pages of information, and you can use as many disks as you need.

Thus you can hold all your letters and documents in negligible space, and call them back at will.

The machine will type them for you at over 250 words a minute, with different

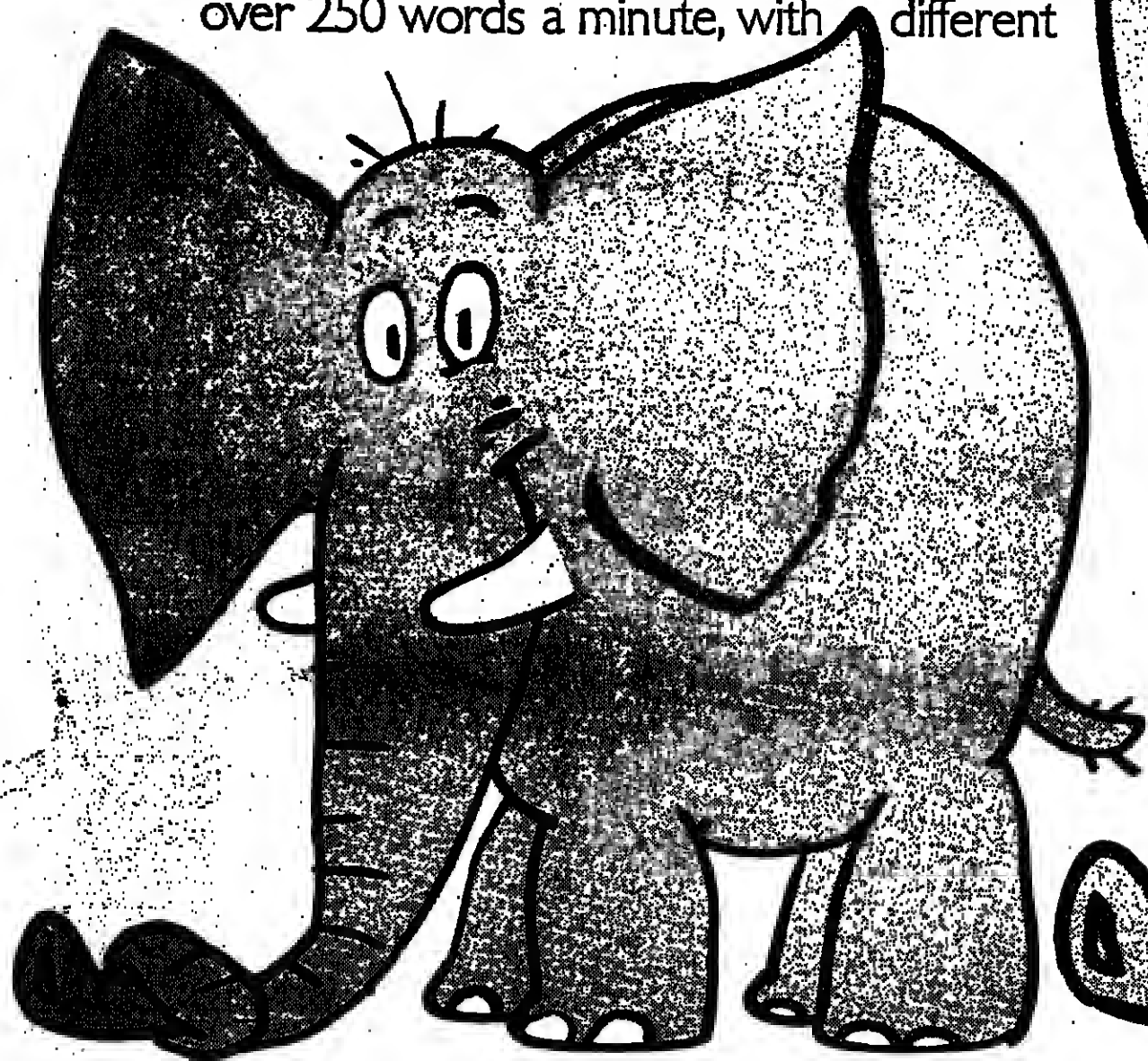
form the cornerstone of an automated office.

The cost of memories.

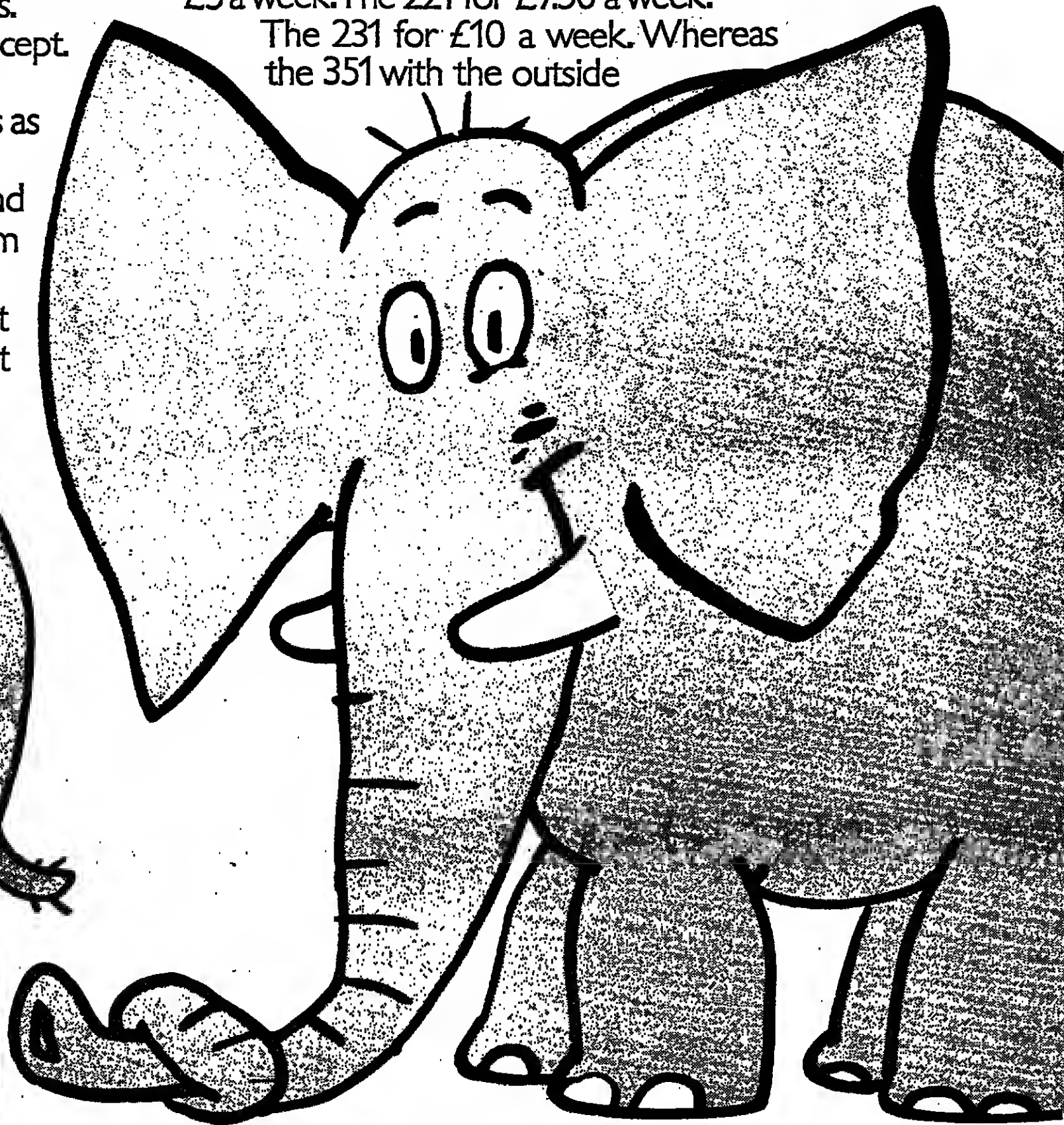
Storage space costs money whether it's in a warehouse, a typewriter or a word processor, and the more you pay the more you get.

For example, you can lease our 121 for as little as £5 a week. The 221 for £7.50 a week.

The 231 for £10 a week. Whereas the 351 with the outside



Our new 351 word processor can remember 64 pages.



While our ETS1010 word processor can remember 130 pages.

names and addresses on standard letters, so that each seems individually written.

Even this Leslie Welch of a machine, however, is surpassed by something better, the ETS 1010.

Our Jumbo-sized memory.

We designed this, our most accomplished word processor, round our electronic typewriters (the 121 and 221, see above).

Machines your secretary will already know and feel at home with.

If you like, you can buy the typewriter part first and add the word processing part later.

This consists of a memory store with a screen called a VDU (visual display unit) which you can see in our photograph.

It will show you pages of type exactly as they'll appear.

You can add or take away single words or entire paragraphs and the machine will compensate, re-space and print the new version, holding the original until you wipe it.

Altogether it can store nearly 200 pages and

memory store will set you back around £15 a week. And the ETS 1010 under £30 a week.

Would you like to see one or other of them? Simply send us the coupon and we'll introduce you to the elephant of your choice.



Please send me details of the:

ET121 ET221 ET231 ET351 ETS1010

Name _____ Position _____

Company _____

Address _____

Tel: _____

Send to Valerie Belfer, British Olivetti Limited, 86-88 Upper Richmond Road, Putney, London SW15 2UR. Telephone 01-785 6666.

olivetti
Word processing

Companies back speed record attempt

MORE THAN £210,000 has been raised for a renewed British attempt on the world land speed record at Bonneville, Utah, in August.

De Lorean report

A CONSULTANT'S report on the viability and structure of the De Lorean car company is complete and will be given to Mr Adam Butler, the Northern Ireland Secretary of State tonight.

Fares case

A HIGH COURT judge yesterday reserved judgment on a legal challenge to Merseyside County Council's 9p-in-the-pound supplementary rate to pay for a 10 per cent reduction in bus fares.

Bargains plea

FOOD manufacturers yesterday urged the Government not to restrict the use of bargain offer claims on products.

Rubik appeal

THE COMPLICATED legal battle to establish how copyright laws should be applied to Rubik's Cube is to go to the Court of Appeal for decision.

Life of ease

A FORMER money broker, worth more than £600,000 nine years ago, is now in debt for £177,750 because of his "self-indulgence and extravagance."

Chubb redundancies

CHUBB Fire Securities is to make 40 workers redundant at its Rhonda factory, South Wales, because of falling orders.

Braniff route

In the Financial Times of February 9 it was inadvertently stated that Braniff no longer flew the North Atlantic.

British Aerospace wins £200m deal

BY BRIDGET BLOOM AND MICHAEL DONNE

THE Ministry of Defence is to award to British Aerospace the long-awaited contract for Sea Eagle, the new air-launched sea-skimming anti-ship missile.

Imported telephones may flood Britain

BY JASON CRISP

THERE ARE widespread and growing fears that Britain may be flooded by imported telephones which soon may be sold legally in competition with British Telecom.

Decline in share of world trade

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

IN SPITE of recently improved export figures, the UK's share of world trade continued its historic decline last year, according to official estimates.

Table with 4 columns: Year, UK Shares of World Manufacturing Exports (By volume), UK Shares of World Manufacturing Exports (By value). Rows for 1975, 1976, 1977, 1978, 1979, 1980.

Private collector pays £6,000 for French doll

A FRENCH DOLL, which turned up at a Sotheby's discovery event in Chichester, sold for £6,000, plus the 10 per cent buyer's premium.

Benn stays neutral over Irish election

MR TONY BENN flew into the middle of the Irish Republic's general election campaign, yesterday—and instantly rejected an attempt to persuade him to back his one-time House of Commons colleague, Mrs Bernadette McAliskey.

Gas exports 'may be considered'

THE prospect of the UK Government giving permission for North Sea gas to be exported was held out to the oil industry last night by Mr Nigel Lawson, the Energy Secretary.

NatWest completes top executive reorganisation

Mr Philip Wilkinson is to take over as group chief executive of National Westminster Bank, Britain's biggest clearing bank, at the beginning of next year when Mr Jeff Benson retires.

People's Airline presents uphill task

By Michael Donne, Aerospace Correspondent

SIR FREDDIE LAKER has been in almost constant negotiations over the past few days with potential backers for his proposed new airline, which he has dubbed 'The People's Airline.'

Gas exports 'may be considered'

By Sue Cameron

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Jetsave confirms cheap flights plan

BY ARTHUR SANDLES

JETSAVE, the subsidiary of Associated Communications Corporation which specialises in cut-price holiday travel, has confirmed its plans to operate a cheap air charter service to the U.S.

Greenall hedges its bets with Arrowsmith deal

BY IAN RODGER

GREENALL, WHITLEY's largest regional brewer, which yesterday bought Arrowsmith Group's Sunshine Holidays from the Laker Airways receiver for £2m, has intrigued observers since 1978 when it acquired the Nottingham-based James Shipstone and Sons for £19.5m.

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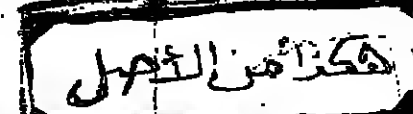
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NOTICE OF REDEMPTION To the Holders of Government of New Zealand Twenty Year 6 1/2% Bonds due March 15, 1986. Includes details on coupon bonds and fully registered bonds.

NatWest completes top executive reorganisation. BY WILLIAM HALL, BANKING CORRESPONDENT. Details the departure of Mr Philip Wilkinson and the appointment of Mr Tom Frost as chief executive.

Saga makes spectacular leap into mass market. BY ARTHUR SANDLES. Details Saga Holidays' expansion into mass market through a new package tour.



Record sales of linked personal pension contracts

BY ERIC SHORT

SALES OF linked life and linked personal pension contracts broke all records last year, according to figures issued yesterday by the three life associations — the Life Offices' Association, the Associated Scottish Life Offices and the Industrial Life Offices Association.

The main growth came in the sales of linked life bonds, where payments were up by three-quarters from £312m to £549m, surpassing the previous record of £340m in 1973. Single premium payments on personal pension contracts, mainly for the self-employed, tripled from £12.1m to £36.5m in 1981, reflecting the very buoyant market in self-employed pensions.

New annual premiums on linked life regular savings contracts rose from the previous record annual figure of £141.2m in 1980 to new peak sales of £199.3m. New annual premiums on personal pension policies rose over 80 per cent from £29.5m to a new record of £53.6m.

By comparison, conventional life and personal pensions business looked dull last year, with new annual premiums rising 19 per cent from £335m to £398m, while single premiums for ordinary life business virtually doubled from £288m to £570m.

Much of the growth in both annual and single premium

business came from higher sales of income and growth bonds. But annuity sales, which accounted for nearly half the single premium business, were also buoyant.

The conventional life companies also showed higher sales of personal pension contracts last year, following the substantial improvements made in the 1980 Finance Act and the introduction of loan facilities on such plans.

New annual premiums rose by one-quarter from £81.5m to £78.4m and single premiums by 70 per cent from £82.9m to £141.3m. The only dull spot last year came from sales of industrial life business by the home service life companies.

New annual premiums on this business — life business where premiums are paid every four weeks and collected at the homes of policyholders — showed marginal growth from £208m to £211m.

The net result was that total annual premiums on individual life and personal pensions business rose nearly 20 per cent to £921m, while single premiums soared to £1.3bn — nearly double that of 1980.

The growth was sustained by good fourth-quarter figures, which improved significantly on a very buoyant fourth quarter in 1980, thus maintaining the sales momentum seen during the whole of last year.

Increase in use of factor services

By Tim Dickson

BUSINESS worth just over £2bn was carried out in 1981 by the nine members of the Association of British Factors, compared with £1,934m in 1980 and £1,77m in 1979.

Domestic business showed a slight drop in volume from £1,233bn in 1980 to £1,2bn last year, reflecting the lower levels of home sales achieved by clients during the recession. International and export business increased by 6 per cent.

Factors provide companies with sales accounting and collection, credit management (including protection against bad debts) and finance against sales invoices. The association says 2,647 companies received factoring services from its members in 1981, 11 per cent more than the previous year.

Despite what Mr Roger Fitcher, chairman of the association, described yesterday as "the continuing difficult trading conditions," the latest performance figures show that the value of had debts absorbed on behalf of clients has fallen from £2.83m in 1980 to £2.18m in 1981.

The number of accounts of clients' customers in legal hands at the end of 1981 was 3,244, a 10 per cent reduction on the total at the end of 1980.

Raymond Hughes reports on continuing doubts over chartered ships in war zones

Lords likely to rule on definition of safe port

SHIP charterers' anxieties about the impact of war upon the "safe ports" clause in a widely used form of charterparty will not have been wholly assuaged by the recent majority decision of the Court of Appeal in the *Evia* case.

Lord Denning and Sir Sebag Shaw had no doubt that the clause in the *Baltique* charterparty under which a charterer warrants that ports to which he sends a vessel will be "safe," encompassed only the port's physical characteristics.

It did not, they held, cover an "utterly abnormal and extraneous" occurrence, such as the outbreak of hostilities.

But in a formidable dissenting judgment, Lord Justice Ackner said that *Basra*, to which the *Evia* had been sent, had been unsafe because of the outbreak of hostilities while the vessel was there.

He agreed with Lord Denning and Sir Sebag Shaw that the *Evia's* charterparty had been frustrated by the hostilities, but he parted company with them by holding that frustration had been caused by the charterer's own breach of contract in sending the vessel to a port which became unsafe.

The Ackner interpretation would impose a double liability on charterers. As a condition of being allowed to take vessels into a war risk zone, they would be liable under clause 21 of the *Baltique* charterparty to reimburse additional war risk insurance premiums paid by shipowners.

They would also be in breach of clause 2 — the safe ports clause — if a port which was safe when the vessel entered subsequently became unsafe because of war, and the vessel was damaged or delayed.

The owner's insurers could sue the charterer for the breach, on the ground that it gave rise to a claim under the war risk policy.

That proposition caused something of a stir in the City when first enunciated by Mr Justice Goff in the Commercial Court bearing of the case.

If the Goff/Ackner line were to be upheld by the Law Lords, who are almost certain to be asked to make the definitive ruling on the issue, it would be an extremely serious matter for charterers.

They would have to seek some change in the *Baltique* form to remedy the situation and relieve them of the potential double burden.

One possibility would be an alteration of the basis of the war risk insurance, making charterers co-assureds with owners. Another might be to re-draft the safe ports clause expressly to exclude the war factor.

The latter course would have the effect of bringing the *Baltique* form which is one of the two most widely used charterparties, into line with those used by oil companies, such as the BP Time charterparty and Shell Time.

There the warranty of safety was modified in the early 1960s to impose on charterers only an obligation to use due diligence or best endeavours to ensure that the port to which a vessel was taken was, and would remain, safe.

The characteristics of a safe port were said by Lord Denning to arise out of its geographical configuration, equipment and aids.

Reasonable precautions must have been taken to overcome natural hazards, or to give sufficient warning to enable them to be avoided. There must be channel buoys, lights, pilots, good anchorages, sound berths, room to manoeuvre, and so on.

A charterer who took a vessel to a port fulfilling those requirements would be satisfying the safe ports clause, he said.

If, while in such a safe port, there was an outbreak of hostilities resulting in delay or damage to the vessel, it would not amount to a breach of the charterer's safe port warranty.

Such an eventuality would be contemplated by the clause. If the vessel were so damaged, the owner would be able to recover from insurers under additional war risk insurance, the premiums of which would have been paid by the charterer.

It was inconceivable that the owner could also recover from the charterer under the safe port warranty, said Lord Denning.

Agreeing, Sir Sebag Shaw said it was not only prudent, but also sound commercial practice, to exclude from the safe port clause responsibility for loss arising from some abnormal occurrence.

Whilue, as a man of commerce, a charterer might warrant the intrinsic safety of a port, he would be reckless if he warranted that it would be safe from hostilities.

If Sir Sebag's view, the war risk and safe port clauses complemented each other, the former covering the eventuality that a vessel was damaged in, or prevented from leaving, a port which, until the onset of hostilities, had been safe.

That approach did not commend itself to Lord Justice Ackner, who held that there was nothing linking the two clauses.

In the *Baltique* form, he said, the charterer gave an absolute warranty that the port was safe, and would remain safe in all respects, while the vessel was there.

It did not involve a guarantee that the ship would, in all circumstances, be free from damage in the port, but that the port would be safe. The question whether or not it was safe was to be judged at the time the vessel was there.

He found support for his view in a line of recent Commercial Court decisions indicating that a charterer was liable for damage to a ship while in port, even though the port may have been safe when nominated and entered.

The "abnormality" of the circumstances in which the damage occurred was irrelevant, he said.

The issue is of crucial importance to the owners and charterers of the 70 or so other ships which have been trapped since September 1980 in or near the Shatt-el-Arab waterway off the Gulf as a result of the Iraq-Iran war.

The insurance implications of the entrapment have been clarified by the recent award of Mr Justice Staughton in a test arbitration.

The safe ports problem must await the attention of the House of Lords.

Petrofina subsidiary puts up plan to reopen smelter

BY MAURICE SAMUELSON

A PROPOSAL to reopen the energy-thirsty aluminium smelter at Invergordon with huge deposits of peat has been made by the Energy Equipment Company, a subsidiary of Petrofina, the Belgian oil company.

The Highlands and Islands Development Board has been looking for a new operator for the smelter since it was closed in December by British Aluminium. The board regards the proposal as worth further investigation.

The smelter was closed when the North of Scotland Hydro-Electric Board cut off its power supplies because of unpaid bills. Invergordon, which was originally built on the assumption of cheap nuclear power, which never materialised, had been supplied with electricity by coal-fired generators.

The Energy Equipment Company designs high technology plants for burning solid and low grade fuels. The company is based at Leighton Buzzard and last year became a wholly owned subsidiary of Petrofina (UK). The National Enterprise Board had previously had a 43 per cent stake in it.

Mr Harry Cross, Energy Equipment's deputy chairman and founder, claims there are sufficient peat deposits within a reasonable distance of Invergordon to meet its need for 220 Mw of electricity a year, far more cheaply than coal.

In the Irish Republic which has almost no coal of its own, about 20 per cent of electricity is generated from peat. Although peat has only two thirds the calorific value of coal, it does not have to be mined and is almost ash free.

Energy Equipment says modern combustion techniques mean the peat would not have to be dried thoroughly before use.

The company has also drawn up an electricity-from-peat plan for the Hebridean island of Lewis.

Stripping peat from the Highlands — it is estimated that Invergordon would need about 400,000 tons a year — would also increase the area of cultivable land in Scotland.

The Highlands and Islands Development Board has compulsory land purchasing powers but it has not exercised them and would be reluctant to do so, if landowners refused to cooperate.

North West industry pessimistic

By Nick Garnett, Northern Correspondent

INDUSTRIALISTS in the North West of England said yesterday that a survey of manufacturing and trading industries in the region revealed reduced investment plans, sluggish demand and unchanged stock levels.

Only 13 per cent of 63 companies surveyed by the North West region of the CBI, said their sectors were expanding.

More than a quarter believed their sectors were declining, and 59 per cent said they were static.

The region's poll has proved in the past to be an accurate forecaster of trends in a wide range of industries.

The number of companies reporting some upturn in their sectors was marginally above that of the region's survey two months ago, but the CBI said there was no evidence of any noticeable general upturn and little optimism that trade would improve over the next six months.

Mr John Tavares, the regional chairman, said that if the Chancellor failed to listen to industry in its submission on the Budget, the future for the region's economy was bleak.

International Harvester to cut jobs

THE BRITISH subsidiary of International Harvester is to close its product engineering centre in Doncaster, which employs 225, as part of a reorganisation of its product engineering services.

The company has been badly affected by the worldwide fall in demand for tractors, and in the past two years it has reduced its workforce from more than 6,000 to under 3,000.

About 100 redundancies in the product engineering centre were announced in January; the remaining 125 were announced yesterday with the closure.

Mr Ian Pegg, director of industrial relations at the Doncaster headquarters of International Harvester UK, said a small number of the 225 employees would be offered employment in the U.S. and a few more at the company's plant in Neuss, West Germany.

GEC plans to axe up to 136 jobs in its traffic automation company because local councils are putting maintenance contracts out to tender.

The biggest reductions will be at the company's 18 depots. The workforce at each depot will be cut by about 40 per cent with a further 20 per cent reduction at the company's headquarters at Borehamwood, Herts.

Expansion in electronics

BY LORNE BARLING

BECKMAN INSTRUMENTS, an American-owned electronics and instruments company, is increasing its UK workforce by more than 25 per cent in response to improving orders, particularly from European markets.

Mr Philip Hart, Birmingham-based sales and marketing director of the company, said the workforce at its factory in Glenrothes, Scotland, was being raised from 300 to 400 and a further 30 people would probably be taken on in May.

Beckman Instruments manufactures professional grade electronic components, mainly for use in computers, missiles and radar. It exports more than

70 per cent of its output, mainly to European countries.

The workforce is being increased to meet strong demand for the company's UK developed resistor networks which have come on the market at a time when their use in digital electronic equipment is rising.

Mr Hart said: "We are also exporting back to the U.S. which is encouraging, since most of the company's research and development takes place at Beckman's headquarters in California."

The UK company has a turnover of about £12m and operates as part of an international group, with factories in Canada, Mexico and Puerto Rico.

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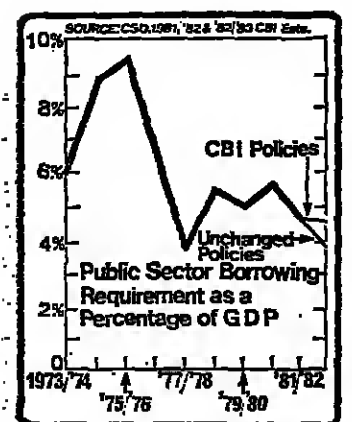
Government 'could cut spending by £800m'

THE CBI believes £800m could be found from reductions of Government expenditure. Of this, £100m would come from cuts in manpower costs, including tight control over earnings, increased pension contributions and reductions in administrative staff.

The remaining £700m would result from increased sales of assets and lower interest payments consequent upon the recommendation to cut interest rates.

The CBI also thinks the contingency reserve (£4.2bn in the December 1981 plan) could be reduced by tighter control over the sections of Government expenditure subject to cash limits.

The CBI does not believe that the increase in borrowing which it proposes would have a markedly adverse effect on interest rates.



It says: "Our recommendations would leave the level of public borrowing at broadly the same percentage of gross domestic product as the target for the current year announced by the Chancellor in the March 1981 Budget.

"Public borrowing would be below the level in some recent years in money terms, and considerably lower than in most recent years once adjustment is made for inflation and the recession."

The CBI points out that the general Government deficit in the UK in 1981 was only 2.3 per cent of Gross Domestic Product, compared with 3.6 per cent in Japan, 4.4 per cent in West Germany and 9.4 per cent in Italy.

It estimates that the public sector borrowing requirement would need to be between £12bn and £15bn, depending on the assumptions made, to prevent a tightening of fiscal stance in 1982-83.

Chancellor urged to help ease industry's costs by £2.6bn

Max Wilkinson, Economics Correspondent, outlines the CBI's Budget representations

THE CBI says that the business sector has borne a disproportionate share of the burden of the adjustments of the economy. The main priority of the Budget should be to redress the imbalance by reducing business costs and improving competitiveness, it says.

Its proposals would reduce business costs by a total of £2.6bn in 1982-83.

The CBI proposes that this be funded by further cuts in the Government's current expenditure, more sales of assets and a moderate increase in public borrowing beyond what would be needed if policies were unchanged.

Its definition of "unchanged policies" is, however, slightly different from the Government's. The CBI assumes no increase in excise duties on alcohol, tobacco and petrol. The Government assumes unchanged policies would require these duties to be raised in line with the rate of inflation, which would bring in about £1bn extra revenue.

The effect of the CBI's proposals would be a £1.8bn increase in public borrowing on its own assumptions, equivalent to an increase of £2.8bn over the Treasury's baseline.

The main recommendations for reducing business costs are:

- A 2 percentage point cut in the 3 1/2 per cent employers' National Insurance Surcharge at a cost of £1.5bn in 1982-83 and £1.9bn the following year.
- A 15 per cent reduction in business rates to be financed by government grants at a cost of £850m a year. This would put businesses on an equal footing with domestic ratepayers.
- The burden of interest costs on an industry should be lightened. The CBI's main proposal is a cut in interest rates, which it

ADDITION TO PUBLIC BORROWING (PSBR)* FROM CBI RECOMMENDATIONS

	£m 1982-83 prices	£m 1983-84
Cuts in business costs	2,590	3,000
Extra public sector capital spending	250	1,000
Other measures	small	400
Reduction in government spending, and more asset sales	-800	-1,500
Feedback effect†	-200	-1,200
Net addition to PSBR	1,840	1,700

* In comparison with the level on unchanged policies (assuming indication of personal tax allowances and bands and no increases in excise duties).

† Feedback effects reflect the estimated impact of these recommendations on the level of activity. This impact is mainly to reduce the PSBR as higher activity generates more tax revenue and reduces the number receiving unemployment benefit in comparison with what otherwise would have happened.

believes would lead to a beneficial but relatively modest reduction in the value of sterling. It has also underlined its earlier proposals that tax relief should be allowed against the interest paid on borrowings from other companies.

● An increase in "productive investment" in the public sector to strengthen competitiveness both by improving the economic infrastructure and by increasing industrial output. Extra capital spending should build up to £1bn in 1983-84.

The CBI has suggested measures to reduce energy costs, particularly a cut in electricity prices and the abolition of heavy oil duty. It calls for the abolition of rates on empty properties and the introduction of "mothballing" relief for business premises.

The CBI believes the main effects of its measures on the economy, compared with its course under unchanged policies, would be:

INFLATION would be about the same or a little lower.

UNEMPLOYMENT would be about 185,000 less than it would otherwise be by the second half of 1983.

OUTPUT would be about 1.2 per cent higher over the 18 months to the second half of 1983 than it would otherwise have been. It forecasts growth of between a pessimistic 1 per cent and an optimistic 5.1 per cent during the period.

REAL PROFITABILITY would be 0.6 percentage points better by the second half of 1983 than on present policies.

Even so, it expects real profits as a percentage of capital employed to improve only to between 2 1/2 and 3 1/2 per cent, from the present 2 per cent.

Labour costs 'not competitive'

THE INTERNATIONAL competitiveness of UK labour costs per unit of output is about 30 per cent to 35 per cent worse than it was in 1975, which the CBI says was a typical year. This is in spite of recent improvements.

"At current levels of competitiveness, production in many sectors of the UK economy remains uneconomic," the CBI says.

The CBI says it has given consistent priority to the need to reduce inflation. It does not believe its proposals would be inflationary. It believes they could have the reverse effect. However, there are other subjects of policy, particularly the raising of output and employment.

It says: "It would be perverse to follow a counter-inflation policy regardless of

its consequences for these variables. To do so would risk the medicine proving more damaging than the disease."

A balance between the need to reduce inflation and the preservation of a healthy business sector therefore needs to be struck, it says.

More effort is also needed to reduce government costs and increase efficiency in the public sector. "Government consumption expenditure in mid-1981 was over 30 per cent higher in cost terms than two years previously, whereas output in manufacturing fell about 15 per cent in the same period."

The main reason for advocating only a moderate increase in borrowing was concern about the effect on interest rates and inflation of a very large expansion in demand. It also wishes

to avoid bottlenecks in the economy.

"It believes that a reduction of interest rates should be achieved within the framework of a sound but increasingly flexible monetary policy. At the end of 1981 industry and commerce was paying £8bn a year in interest charges, about twice as much as in 1978, and each 1 per cent reduction in interest rates saves business £250m a year net."

In the light of this the Government's monetary policy should be followed pragmatically and without too slavish a regard for particular monetary aggregates, the CBI believes.

A reduction of interest rates would help to lower the exchange rate and thus to improve industry's overseas competitiveness, the CBI believes.

National Insurance surcharge cut urged

Real personal disposable incomes have risen by 13 per cent in the past four years while the disposable incomes of companies have fallen by 67 per cent, the CBI says.

The main thrust of the CBI's tax proposals would be to restore the profitability and competitiveness of the company sector. It believes this would do more to create new jobs than reductions in personal taxation or a cut in indirect taxes.

It says: "Lower personal taxes would help demand but, with no direct impact on competitiveness or profitability, much of this extra demand would lead to higher imports. But our proposals would not raise domestic demand, but also exports and imports substitution."

"It might be argued that personal tax cuts could reduce inflationary pressures on wage negotiations. The experience of recent years suggests that while rises in indirect taxes have added to such pressures, it is by no means certain that cuts in income taxes have reduced them."

So the suggestion to which the confederation attaches the most importance is the reduction of the National Insurance Surcharge from 3 1/2 per cent to 1 1/2 per cent of the payroll, as a preliminary to abolishing it altogether.

The CBI estimates the total yield of the NIS would be about £4bn in 1982-84, but of this about one-fifth is paid by the Government as an employer to itself. Total abolition would therefore cost about £3.3bn.

The CBI submits that the NIS reduces international competitiveness, contributes to output prices (and therefore affects inflation), adds to the upward pressure on unemployment and reduces profitability, which in 1981 reached its lowest recorded level.

BL truck investment plan put off because of strike

BY IVO DAWNAY, LABOUR STAFF

BL YESTERDAY carried out its threat to suspend further investment in manufacturing its new MT2 Eleven light truck.

Talks aimed at finding a solution to the three-week strike at Leyland Vehicles resume next Monday. A final decision on investment hangs upon the outcome of these talks.

Following a main BL board meeting yesterday, it was announced that approval for the allocation of the final tranche of the £21m investment programme in the 7 1/2 tonne-plus truck range had been withdrawn from the agenda because of the stoppage.

More than 12,000 workers at Leyland Vehicles' truck and bus manufacturing plants in Leyland and Chorley in Lancashire, and Bathgate near Glasgow began an indefinite strike last month in protest over

the company's 1982 corporate plan.

The workers are objecting to Leyland Vehicles' proposals to cut 4,100 jobs, shut-down production of two of the four engines at the Leyland site and transfer work between the EV sites.

In a statement released by the BL board last night, the company warned that "in the final analysis, the future of the Leyland Vehicles business is in the hands of its employees."

"If this strike continues much longer then there is no future," the statement said. "A continuation of the strike cannot and will not enforce continued acceptance of losses of £2m a week."

But on a more conciliatory note, the company also reaffirmed its commitment to listen to the unions' alternative proposals to the corporate plan.

Mark Meredith writes: Sir Michael Edwards is understood to have warned that the strikes at BL truck plants could push the company "over the top" if the dispute was not solved soon.

But at his meeting on Tuesday with four MPs from truck producing areas in the north-west of England and Scotland, Sir Michael apparently set no fixed deadline for a solution.

According to union representatives, Sir Michael had not mentioned this as a threat but as a commercial fact, and they were confident that he now realised the strike could be prolonged.

J. C. Bamford, the manufacturer of earth moving equipment which buys one-third of the engines produced at Bathgate, has already threatened to order engines elsewhere if the dispute is not resolved.

O'Brien defends MSC's record

BY JOHN LLOYD, LABOUR EDITOR

SIR RICHARD O'BRIEN, chairman of the Manpower Services Commission, who was last week told by Mr Norman Tebbit, the Employment Secretary, that his contract would not be renewed after April, yesterday strongly defended the Commission's record and implicitly criticised government policies.

He told the Commons Select Committee on employment that the country was "only now beginning to take manpower seriously at the level of the firm and the union."

The scale of unemployment in the UK was higher than in other western countries, he said. "I believe that in concert with other nations we should plant to return to much higher levels of employment. I believe we should do it and I believe it can be done."

...He warned that the suggested decline in the Commission's employment services would "do damage to the economy".... He said he would not have

undertaken the review of these services, now being carried out by Sir Derek Rayner, the Prime Minister's adviser on efficiency, at the present time if the choice had been his.

He stressed that the largest problem in the jobs market in the immediate future was the rapid growth among the long term unemployed, that is people without work for 12 months or more.

The MSC estimates that the numbers will grow from the present level of 800,000 to 1m this year. That figure has risen by 120,000 over the past three months.

Of the overall figure, 25 per cent of the long term unemployed are 50 or over, 50 per cent are between 25 and 50, and 25 per cent are between 18 and 25.

Sir Richard said that the most successful programme for the youngest group was the Community Enterprise Programme. The MSC had asked the Govern-

ment for provision for 60,000 places, but had been allowed to provide only 30,000.

He said the unemployment total would stay at around 3m over the next four years—a prediction regarded as pessimistic by the Government.

He stressed that the successful operation of the Commission depended upon consensus among the representatives of the interest groups on its board—the TUC, the CBI and representatives of education and local authorities.

Last week Sir Richard was replaced by Mr David Young, a Department of Industry adviser with a right wing political background.

Mr Young's appointment has given rise to fears, especially among trade unions, that he will dismember the Commission's employment services and allow these functions to be taken over by the private sector.

Volunteers help out to keep BA flying

BY BRIAN GROOM, LABOUR STAFF

BRITISH AIRWAYS, which has suffered problems of low morale among its workforce, has been heartened by the willingness of all grades of staff to load baggage in an effort to keep aircraft flying.

Volunteers, including pilots and office staff, helped BA make a small improvement in services yesterday in spite of the dispute with 2,000 ramp workers at Heathrow airport's Terminals One and Two.

BA cancelled 42 European and domestic flights, compared with 47 when the dispute began on Tuesday. It operated 58 per cent of short-haul flights, plus full shuttle services, and hopes to achieve over 70 per cent to-day.

Both BA management and union officials were present last night at a meeting of the National Joint Council for Civil Air Transport. It was hoped that some move could be made to end the dispute.

Small pickets were mounted at Heathrow by the ramp workers, who say they were locked out after refusing to comply with revised work schedules which form part of

the airline's survival plan.

BA wants to replace the workers' 38-hour week with a 40-hour week, and guaranteed overtime, increase their "attendance factor" and ensure that they work more flexibly.

Extensive changes in working practices have already been agreed by other groups of BA workers, which may be a reason why other staff have been willing to take on the ramp workers' tasks without payment.

The new schedules have already been accepted by ramp workers at Terminal Three, which handles long-haul flights.

Poor morale was one reason why BA received 12,900 applications for voluntary redundancy under its special severance scheme, which is intended to reduce staff by 9,000 to 49,000 by May 31. The workforce is now just over 45,000.

Yesterday, however, BA had more volunteers than it needed to assist management in providing a service. The management put the response down to a realisation of the seriousness of the airline's problems.

Central TV special shows hit

By Arthur Smith, Midlands Correspondent

LABOUR PROBLEMS have again forced Central Independent Television to postpone the broadcast of special programmes for the East Midlands.

The company, formed in part to improve services to the East Midlands, took over the franchise from ATV on January 1. As yet no broadcasts have been possible from the new studios at Nottingham.

Problems and demands have come from all sections of the workforce, including journalists and technicians. Central said last night. Additional costs of £2m a year or about £1,500 for each job were involved.

Mr Robert Phillips, Central managing director, made it clear in a tough statement yesterday that he wanted to sort out long term conditions and terms of employment before starting the full service of local programmes.

Dockers reject Sealink plea

DOCKERS and seamen's unions at Holyhead, North Wales, have rejected a plea from Sealink's senior management to lift their blockade of British Rail's St Columba ferry, writes Robin Reeves.

The men are protesting at the planned introduction, at the end of this month, of a daily Dublin to Holyhead service by the Irish Government-owned E and I Line. They have warned that they will refuse to handle E and I vessels.

Sealink wants to move St Columba to Fishguard to take over the Rosslare route temporarily, while the existing ferry is taken out of service for its annual survey and maintenance.

Union warns Tenneco

BY BRIAN GROOM, LABOUR STAFF

A UNION issued a warning last night that Tenneco, the US conglomerate, will be breaking both the law and previous commitments if it negotiates the sale of Albright and Wilson without consultation.

Tenneco is believed to have approached a number of companies about a possible sale of the UK-based chemicals group. If talks are successful an announcement could be made in the next few weeks.

Mr Roger Lyons, a national officer of the Association of Scientific, Technical and Managerial Staffs (ASTMS), said that Tenneco had committed itself in 1975 to prior

consultation with the Department of Industry and the union if it had plans to divest all or part of the assets of Albright.

Mr Lyons has written to Mr David Livingstone, managing director of Albright, pointing this out, and claiming that penalties would be liable under the new Transfer of Undertakings (Protection of Employment) Regulations 1981 if it did not consult the unions.

Tenneco is expected to try to sell Buxil, Beale, Allen, Albright's flavours and fragrances division, separately. ASTMS believes this would ensure that the divestment came under the new regulations.

Print men say cuts could kill Times

BY IVO DAWNAY, LABOUR STAFF

UNION OFFICIALS at Times Newspapers yesterday expressed grave doubts over whether the papers could continue to be produced if redundancies sought by the management are carried out in full.

The scepticism followed the release of detailed outlines of where the job cuts should fall to officials of the National Society of Operative Printers, Graphical and Media Personnel (Natsop).

Mr Roy Wilson, father of the Natsop machine assistants' chapel (office branch) at the Sunday Times, said that the cuts amounted to the loss of 155 shifts over the Saturday night

and Sunday morning printing and cleaning operations.

"If we reduce staff to that level, we could not guarantee the production of the Sunday Times," he warned.

Mr Barry Fitzpatrick, father of the joint Sunday Times and Times clerical chapel, said management plans to cut up to 390 employees from the staff complement of about 700 would make it "impossible" to run several office departments.

"There appears to be no scheme or planning behind the cuts," he said. "The plan seems to be nothing less than sheer desperation on the management's part."

Mr Fitzpatrick added that in particular a call to cut 111 advertising staff, amounted to over half the existing advertising clerical employees. It was a "horrific" decision hitting at the very core of the newspaper's earning power.

Mr Paul Routledge, father of the Times' National Union of Journalists' chapel, said a demand for 35 additional redundancies had been deemed unacceptable by the chapel.

The chapel committee would be seeking further meetings with management to clarify where the cuts would fall. "The management are not aware of how many staff have left here in recent weeks," he said.

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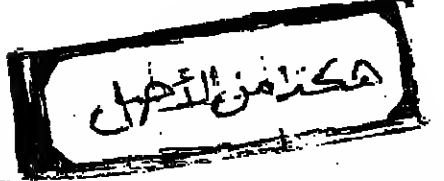
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Aslef jeopardising jobs, projects says Howell

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

A WARNING that British Rail jobs and modernisation projects are being jeopardised by Aslef's ongoing strike was given in the Commons yesterday by David Howell, the Transport Secretary.

He urged the union to end its "totally destructive action" now in its fifth week. He condemned it as "wretched and silly." His warning was underlined by Mr Kenneth Clarke, Under Secretary for Transport, who said: "In so far as the railways have failed to achieve higher productivity, they do make it difficult for the Government to contemplate supporting the large programme of electrification and investment."

Mr Clarke rejected Labour demands that the Government should intervene in an attempt to bring the two sides together. He said this would not be helpful.

The Opposition took a cautious line over the strike but Mr Albert Booth, Labour's transport spokesman, said the union was quite properly contending that BR had failed to fulfil its obligations to use the railway's negotiating machinery.

More outspoken was Mr Leslie Huchfield (Lab, Nuneaton) who is sponsored by the Transport and General Workers' Union and who also speaks for Aslef. He said BR had broken the law in going outside the established negotiating procedure.

Later Mr Huchfield was jeered by Conservatives when he tried to raise a point of order. He claimed that Mr Howell continually made "inflammatory statements" about the dispute while insisting that the Government had no intention of intervening.

Mr Howell told the House that deep damage was being caused by the strike. It would clearly be necessary to press

Foot rules out policy change on EEC

By John Wyles in Brussels

MR MICHAEL FOOT emerged last night from a bruising encounter with members of the European Parliament's socialist group with his confidence unshaken in the wisdom of the Labour Party's policy to withdraw from the EEC.

During his first visit to Brussels as party leader, Mr Foot was subjected to the full blast of hostility and criticism, widespread among EEC socialist parties. Mr Ernest Gilne, the Belgian leader of the 123-strong socialist group, urged the Labour Party to think again, and warned that British withdrawal would be "a severe blow to all our hopes for the future of the European Community."

But Mr Foot held out no prospect of a change of policy on the issue of withdrawal nor on the party's rejection of a referendum on the issue. He said there was need for further discussions with "our socialist friends in Europe" so as to make British withdrawal as smooth as possible.

The Labour leader said the continental socialists did not fully understand the historical reasons for Labour's opposition to the EEC nor did they "always understand" the problems membership had created.

Mr Foot, who is here for two days, acknowledged that Labour still had a great deal of preparatory work to do on withdrawal, both through further discussions with other socialist parties as well as mapping out procedures for negotiating with the Community and the GATT.

He did not see why trade with EEC countries should not continue to prosper. They would still want to buy the UK's oil as well as other British products.

Mr Eric Heffer, the Opposition spokesman on Europe, said Britain could either negotiate an association agreement with the EEC, join EFTA or seek third country trading status.

Mr Foot did not seek Britain's possible exclusion from political co-operation as a serious price to pay for withdrawal.

The people he wanted to co-operate with on foreign policy were democratic socialists and the best forum for that was the socialist International.

He did not think President Mitterrand's preference for operating socialist policies as an EEC member was any kind of model for the UK.

"There are some aspects of the Common Market, such as the Common Agricultural Policy, which are much more suited to France than to Britain," he said.

A Labour government would seek to co-ordinate moves towards nuclear disarmament with those of other European governments, Mr Foot says in this week's edition of *Tribune*.

He would like to rid Britain of nuclear weapons within five years of taking office, he says, and would stop the Trident and Cruise missile programmes immediately. But the party's commitment to a nuclear-free Europe would depend on the attitudes of other European governments, particularly the French.

Labour's commitment to withdrawal from the EEC would also depend to some extent on the reaction of other European socialist parties, he says.

Lords say rating system needs reform, not abolition

BY IVOR OWEN

PEERS of all parties made clear in the House of Lords last night that they expect the Government's review of alternative methods of financing local government to lead to the reform of the domestic rating system, rather than its abolition.

Lord Thorneycroft, the former Conservative Party chairman, said: "I have consistently opposed the idea that the abolition of domestic rating was a sensible objective."

He joined with other peers in underlining the importance of retaining a strong and independent local government structure and appealed to ministers not to over-react in tackling what he described as the abuse of the present system, highlighted by the controversial policies of Mr Ken Livingstone, the Labour leader of the Greater London Council.

He said: "It is not possible to have an independent system of local government with the centre claiming to control in every detail what is spent there."

Viscount Ridley (Con), president of the Association of County Councils, who was a member of the Layfield Committee which reported on the rating system in 1976, called on the Government to "grasp the nettle" and not to resort to any further inquiry.

Emphasising that he was expressing a personal view and not seeking to commit the association, he maintained that some

form of property tax was likely to be as fair as anything else and to remain an essential part of any future rating system.

Ideas which merited examination, said Lord Ridley, included using capital values as the basis for a reformed rating system, a partial de-rating of industry, a poll tax or some form of payroll tax, set at about £25 per head per annum, for lower tier district councils.

"Responsibility for teachers' salaries—but not the education service itself—should move from local to central governments," he said.

Lord Ridley said London would probably have to be treated as a special case, particularly in view of the "very serious problem" of London

Transport. Arrangements would also have to be made for the equalisation of resources between the richer and poorer areas of the country.

For the Social Democrats, Baroness Stedman contended that the attempt by central government to take responsibility for expenditure had led to increasing confusion and uncertainty and was going a long way towards ruining responsible local government.

She pressed the Government to consider the possibility of transferring the proceeds of non-domestic rates to the Treasury to be used for equalisation of regions, with the balance of local authority needs being met from a local income tax or sales tax.

In the Commons, Mr Bruce Millan, Labour's Scottish spokesman, said the Government's 24 per cent cut in the rate support grant for Scotland in 1982-1983 would mean a rise of 8 per cent in rate bills. He was speaking in the debate on the Rate Support Grant (Scotland) Order.

Mr George Younger, Scottish Secretary, said it would be "an act of great irresponsibility" to encourage councils to overspend.

He said local authority staffs in Scotland were still up by 11,000 or 5 per cent, on 1977, although they were now falling. Spending had increased by 3.2 per cent in 1979-80, 1.6 per cent in 1980-81, and 0.2 per cent in 1981-82.

Probes into police are 'a drain'

By Lisa Wood

THE INVESTIGATION of complaints against police officers can "represent a commitment of resources for in excess of that given to the same number of the public were the victim of a serious crime," the Metropolitan Police told a parliamentary select committee yesterday.

The force was giving evidence to the home affairs committee on the police complaints procedure, which Lord Scarman recommended in his report on the Brixton riots, should have an element independent of the police.

Mr Patrick Kavanagh, a deputy commissioner of the Metropolitan Police, told the committee that nevertheless in dealing with minor complaints against police officers was a drain on resources, if a complaint was made against a constable, a chief inspector or superintendent would investigate it. In 1981 the Metropolitan Police employed about 270 police and civil staff full-time on complaints work, at an annual cost of about £5.5m.

Mr Kavanagh said that if the public understood how accountable the force was, it would express less concern at the present situation. Present standards, he said, were exacting but if public concern was being expressed, changes in the procedure would have to be made.

He said greater use could be made of conciliation in dealing with less serious complaints, while for the more serious the Director of Public Prosecutions could take on the role of independent assessor.

He said greater use could be made of conciliation in dealing with less serious complaints, while for the more serious the Director of Public Prosecutions could take on the role of independent assessor.

SDP faces weekend of argument OUP moves writ for S. Belfast

BY ELMOR GOODMAN, POLITICAL CORRESPONDENT

THE SDP leadership faces demands this weekend for changes to the party's draft constitution which could seriously undermine the structure of the party.

At the special constitutional conference, which threatens to turn into a day and a half of prolonged procedural wrangling, SDP members will try once again to persuade the party to base its organisation on individual constituencies rather than areas.

They may also insist on having a larger role in policy-making, while there is a strong chance that they will overturn the leadership's proposals for discriminating in favour of women. The conference of 300 "representatives" will be purely consultative.

The main issue will be the question of how the leader should be elected. It was clear from the agenda published yesterday that there is still a

considerable head of steam behind both the idea of increasing the powers of the Council for Social Democracy, and the proposal to set up constituency-based parties.

The SDP steering committee said it was fairly confident that it would ultimately persuade members to back its idea for making groups of constituencies the basic unit of organisation.

But if the conference does reject the idea of area parties, the leadership will almost certainly put the issue to a ballot of all members, as a change now in the basic unit of organisation would require rewriting large sections of the constitution.

The leadership is worried that the conference could all too easily descend into chaos and further damage the party's standing in the opinion polls. The agenda suggests that the proceedings are likely to be complicated — at one point members will use "double transferable vote" and many amendments submitted by local parties would strike anybody outside the SDP as arcane.

There are 53 amendments down for debate. The biggest single number is on the key issue of how to elect the leader. The idea is that the conference should reduce the existing eight options to three, which will be put to the ballot of all 70,000 party members.

The majority of the Council for Social Democracy favour giving MPs the right to elect the leader, subject to endorsement by the council.

The second option on the ballot paper will be "one member one vote." The third will be a variation on the first two. For instance, having the first leader elected by the entire membership, and subsequent elections by MPs.

Mr James Molyneux, leader of the party, moved the writ for the by-election yesterday. The writ was held by the Rev Robert Bradford, who was murdered by IRA gunmen in November.

The OUP's chances of holding the seat have been strengthened by the fact that the Rev Ion Paisley's Democratic Unionist Party has not named a rival candidate and is now considered unlikely to do so.

Mr Bradford was politically close to Mr Paisley who, after Mr Bradford's death, led moves to put up a joint OUP/DUP candidate. The OUP, however, was reluctant to relax its grip on its last remaining Belfast seat and may have manoeuvred Mr Paisley by selecting the Rev Martin Smyth, leader of the Orange Order, to fight the seat.

Mr Smyth is known to take a tough line on security, which, given the reason for the by-election, is likely to prove the dominant campaign issue.

Should Mr Smyth win the seat, he would also be considered a strong contender for the party leadership. Mr Molyneux has been under attack for some time for his alleged indecision and negative attitude towards devolution.

South Belfast is a traditional Unionist stronghold — held at the last election with a 36.6 per cent majority — and the main threat to Mr Smyth would come if a rival DUP candidate stood.

If this happened, the Alliance Party, which last time won 25 per cent of the vote, would stand a slim chance of success. The party was meeting last night to select its candidate.

Laker crash allowed 'for sake of free enterprise'

BY MARGARET VAN HATTEM, POLITICAL STAFF

MR CECIL PARKINSON, chairman of the Conservative Party, yesterday said the Government did not step in to help Sir Freddie Laker. "For the sake of the future of private enterprise."

He told a Conservative women's advisory committee in Paddington, London, "Far from helping the private sector thrive and flourish, a state handout would have been greatly damaging to the morale and spirit of entrepreneurs up and down the country."

"They are entrepreneurs and job creators because of their very independence from the State. To offer a State safety net to private enterprise would be to remove from the private sector that essential independence and the initiative and zeal on which they thrive."

"To damp down the spark of enterprise which the need to survive provides would cost our nation dearly. Let us not pre-

tend that Freddie Laker's Skytrain could ever be the same if it could only fly by courtesy of Her Majesty's Government and the taxpayers."

The Conservative Party appears somewhat embarrassed by the enormous wave of sympathy for Sir Freddie, which has engulfed not only its own natural supporters in the country, but also prominent elements in the 1922 Committee of Tory backbenchers and in the Cabinet itself.

Mr Parkinson, evidently on the defensive, said the Government had had to set aside its considerable personal sympathy for Sir Freddie in the interests of preserving what he stood for — the need for productivity, competitiveness and ability to win new markets are all on the increase. This is the progress which will ensure a secure future for all the successful Freddie Lakers to come," he said.

He said that the Government would seek to co-ordinate moves towards nuclear disarmament with those of other European governments, Mr Foot says in this week's edition of *Tribune*.

He would like to rid Britain of nuclear weapons within five years of taking office, he says, and would stop the Trident and Cruise missile programmes immediately. But the party's commitment to a nuclear-free Europe would depend on the attitudes of other European governments, particularly the French.

Labour's commitment to withdrawal from the EEC would also depend to some extent on the reaction of other European socialist parties, he says.

Gilmour defends call for major economic expansion

BY PETER RIDDELL, POLITICAL EDITOR

SIR IAN GILMOUR, the former Cabinet minister, yesterday strongly defended his call for expansionary measures in the face of recent Treasury criticisms of his position.

He told the National Association of Conservative Graduates that "talk of the Chancellor of the Exchequer giving away a billion or two pounds in reduced taxes is ridiculously out of scale with events."

"Unusual times demand unusual policies. Three million unemployed will not be helped by incessant repetition of Treasury half-truths. Action is needed, not attempted explanations of why no action is possible."

The Treasury view that the highest Government borrowing must lead to higher interest rates was wrong.

He continued: "It need not do so provided the money supply is increased. And if you have a higher flow of income, as you would have and should have if you expanded the economy — you of course need a higher stock of money."

Sir Ian said the monetarist argument that an increase in the money supply increases the inflation rate has been con-

Renewal of tax urged on bank windfall profits

By Peter Riddell

A RENEWAL of the windfall profits tax on clearing banks in the coming financial year was urged yesterday in a pre-Budget memorandum from Mr Jack Straw, Labour's economic spokesman.

His analysis is based on projections by four leading City stockbrokers that clearing bank profits are likely to have risen by £200m in 1981 to £1,650m.

Mr Straw says the high level of interest rates, contradicting official predictions, is the main reason for the expected increase in banks' profits and their further unanticipated year of windfall profits.

He argues that the tax should raise at least £400m and should be used towards employment and industry programmes.

"If the special tax on windfall profits by the banks was justified last year — and it was — it is equally justified this year."

"The British people should be given back, through this tax, some part of what they, and British industry, have been forced to pay out."

"It would be indefensible for the banks to be allowed to retain this windfall," said Mr Straw.

Call for pension age to be 63

By Lisa Wood

RETIREMENT for men and women at 63, with a degree of flexibility on either side, was recommended by the Institute of Personnel Management (IPM) yesterday.

The institute, giving evidence to the House of Commons Select Committee on Social Services, said in written evidence it did not believe it was unthinkable to raise the retirement age of women.

The Callaghan Cabinet: an inside view of the struggle for survival

PETER RIDDELL, POLITICAL EDITOR, ON "INSIDE THE TREASURY," BY JOEL BARNETT

THE MOST crucial decisions in the life of any Government are often about public spending — its size and allocation. The structure of decision making has been examined in an academic way, but in his account of life as Chief Secretary to the Treasury from 1974 to 1979 Joel Barnett puts flesh on these bones.

He shows how the world of public spending is more of an art than a science.

"The book (and I should 'declare an interest' since I offered some comments to the author on an early draft) is neither an economic analysis of the 1974 to 1979 period nor, despite the title, an account of life inside the Treasury. Mr Barnett is discreet, although Sir Leo Pliatzky who calls this "most fascinating Permanent Secretary," will soon be producing his own book.

The book's main interest lies in its insight into how Cabinet Government operated in a period of unusual political and economic tensions. The book reflects the man — plenty of good humour and the robust commonsense of a practical person who thinks more of where the money is coming from than about economic theories.

There are detailed accounts of Cabinet meetings, particularly during the IMF crisis of 1976 and the "winter of discontent" of 1978-79, though a chronology of events might have helped.



NO CONSPIRACIES: Barnett, observer of tensions; Callaghan (above) and Tony Benn

Expenditure priorities were generally decided on often outdated, and ill-considered plans made in Opposition, barely thought through as to their real value, and never as to their relative priority in social, socialist, industrial or economic terms. More often they were decided on the strength of a particular spending minister, and the extent of the support he or she could get from the Prime Minister."

Joel Barnett, *Inside the Treasury*.

The resulting picture provides little support for those who seek either rationality or conspiracies in politics. Life in 1974-79 was more a matter of expediency and survival in face of the sheer grind of day-to-day government with decisions swayed by the political clout of individual ministers.

James Callaghan is described mapping the head of Shirley Williams and preventing the hapless David Ennals from saying even a word in support of his case to prevent a cut in his programme.

"David was simply not allowed to put his case because Jim Callaghan was annoyed with the way the Health Service dispute had been handled."

"I have no doubt that, whatever the rights and wrongs of the issue, and no matter how powerful a Prime Minister, a strong minister like Barbara Castle would simply not have allowed such treatment to be meted out to her."

Peter Shore emerges as a tough and successful bargainer. He "could be so touchy and ill-tempered and ready to get passionate and thump the Cabinet table, often on quite trivial issues, that everybody was frightened to upset him."

The book also shows the muddled way in which some of the last government's industrial decisions were taken, notably "worker co-operatives, sometimes known as Benn's Follies."

Joel Barnett felt very strongly that "failure, which seemed inevitable on the most optimistic interpretation of the figures, would do serious damage to the co-operative concept, as well as wasting both scarce public funds and human resources."

"The trouble in Cabinet committee was that many ministers, with their emotional attachment to worker co-operatives and their concern about unemployment, supported these ventures even when they must have known the prospects to be hopeless."

On these and other issues the book, in part unintentionally I suspect, highlights some of the tensions at the heart of the Labour movement which have surfaced so dramatically since 1979.

In an account of a Cabinet meeting in February 1979, during the "winter of discontent," Mr Barnett reports: "The Prime Minister summed up what many of us wanted to say, when he put a question to Tony Benn — 'What do you say about the thuggish act of a walk-out, without notice, from a children's hospital?'"

"Tony replied: 'When decent people become irrational, something else must be wrong if they are driven to such desperate acts.'"

"Jim Callaghan's response was that he 'had never in 50 years been so depressed as a trade unionist.'"

"Denis Healey, more pointedly said: 'We should not

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THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ

More sparks likely to fly in tobacco industry war

BY DAVID CHURCHILL

TODAY'S announcement by the Imperial Group of its annual financial figures will clearly show how far the sharp slump in cigarette sales over the past year has affected Britain's biggest tobacco company.

The results will be watched with more anxiety than usual by Imperial's rivals in the 250-million-pound tobacco market.

Good figures from Imperial may persuade it and its rivals that they have the financial muscle to spark off a new price war.

Bad figures, however, could have the same effect, as Imperial seeks to recover its slipping market share by launching an aggressive promotional campaign.

But whatever Imperial's results turn out to be, there is no doubt of the tobacco giant's concern at shrinking cigarette sales.

Over the past year, sales of cigarettes have slumped by about 15 per cent as a result of the 17p duty increase imposed by the Chancellor last year and the price rises by the companies themselves to compensate for rising costs. A year ago, a typical pack of 20 King Size cigarettes cost about 73p—now that same packet costs a recommended price of 87p and could break the £1 barrier if the Chancellor adds extra duty in next month's Budget.

The effect of this sales slump on jobs is now beginning to be felt. Gallaher, for example, is at present pruning its production workers by 800, while Imperial Tobacco is keeping a "tight rein" on manpower. At the same time, Imperial is in the process of merging the marketing and administrative operations of its two main trading subsidiaries—Wills and Players—which means some 1,000 white-collar jobs will be lost.

As if the combination of price rises and recession were not enough to dampen the market, the tobacco companies are again on the verge of new negotiations with the Government over voluntary curbs on cigarette advertising. Moreover, a new deal on tobacco companies' sponsorship of sporting events is imminent.

Against this background, the Health Education Council is at present spending some £300,000 on television advertising to inform smokers of the harmful effects of smoking—while the tobacco industry itself is spending twice as much to inform its customers of the high level of tax paid (about three-quarters of the purchase price) on each pack of cigarettes.



Ammunition from the smoking lobby

With the probability of further duty increases in next month's Budget—the trade would not be surprised at a 6p per packet increase—it is small wonder that the UK tobacco industry is jittery at present.

The key question is whether the continued decline in the market will force the majors—Imperial, Gallaher, Rothman, and BAT—into a frenzy of new product launches and price-cutting similar to the hectic market conditions of the late 1970s.

The marketing theorists suggest that such renewed market hostility is extremely likely. In a declining market, volume sales can still be maintained—and even increased—by aggressive promotion at the expense of the competition. And there can be no doubt of the long-term decline in sales that has bedevilled the industry for the past several years.

Cigarette sales in the UK have fallen consistently since 1974—against the trend in many European and third world countries where sales are still on the increase—as a result of price rises and the increased focus on the harmful effects on health. Even so, some 120bn cigarettes were still smoked last year and market research shows that about 19m adults claim to be smokers of varying degrees of intensity.

The number of cigarettes smoked by regular smokers has remained constant over the past decade at about 19 a day for men and 15 for women. The slump in sales has come from the decline of regular smokers (as opposed to the "occasional" or "social" smoker). Among men the proportion has dropped from 47 per cent to 38 per cent, and among women from 38 per cent to 34 per cent.

Yet it is not just the steady decline in sales that has shaped the present-day tobacco market. The biggest trauma ever in the industry—and arguably the biggest shake-up in any consumer market of comparable size—occurred between 1976 and 1978 when the way that duty was imposed on tobacco was changed as a result of Britain joining the EEC.

The main effect of this move was to enable King Size cigarettes to be priced the same as for small, standard size cigarettes. Not surprisingly, since consumers were getting more puffs per penny, smokers switched in droves to King Size brands. Before the switch in duty systems, less than one in every 10 cigarettes sold was King Size; now, nearly eight out of every 10 are of the large variety.

This consumer switch had other repercussions. Imperial Tobacco (the trading subsidiary of the Imperial Group) has for most of this century dominated the tobacco market in the UK. But Imperial's market strength (about two-thirds of all cigarettes sold prior to 1976 were Imperial brands) was based on the small, standard sized cigarette—it had virtually no strength in the then tiny King Size market.

Lottery

Because of the technical difficulties in switching production to King Size cigarettes—and arguably because of Imperial's over-large structure—Imperial was slow to react to the changed market conditions. Consequently both Gallaher and Rothman were able to exploit the changing and fast-growing King Size market.

In addition, British-American Tobacco—the largest tobacco company in the world—entered the UK market for the first time in 1978 because the EEC had forced it to abandon its longstanding agreement with Imperial to keep out of the UK while Imperial kept out of the rest of the world.

Thus between 1976 and 1978 the UK tobacco market saw an intensification of the struggle to capture market share. One of the main pricing strategies was a system known as "matched dealing" whereby retailers and manufacturers would each share the cost of a price cut to attract sales. This had the advantage of enabling manufacturers to spread price

cuts more widely and over a longer period.

The bitterness of the infighting, however, was illustrated by the row over Imperial's successful "Spot Cash" instant lottery promotion. As a result of complaints by a rival company, Imperial executives were in the unusual position of being faced with criminal prosecution for allegedly contravening the lottery laws. However, before the criminal proceedings came to court, Imperial had sought a civil court ruling on the validity of its lottery promotion—a ruling which eventually went against it in the House of Lords. The criminal proceedings, in the meantime, had been dropped.

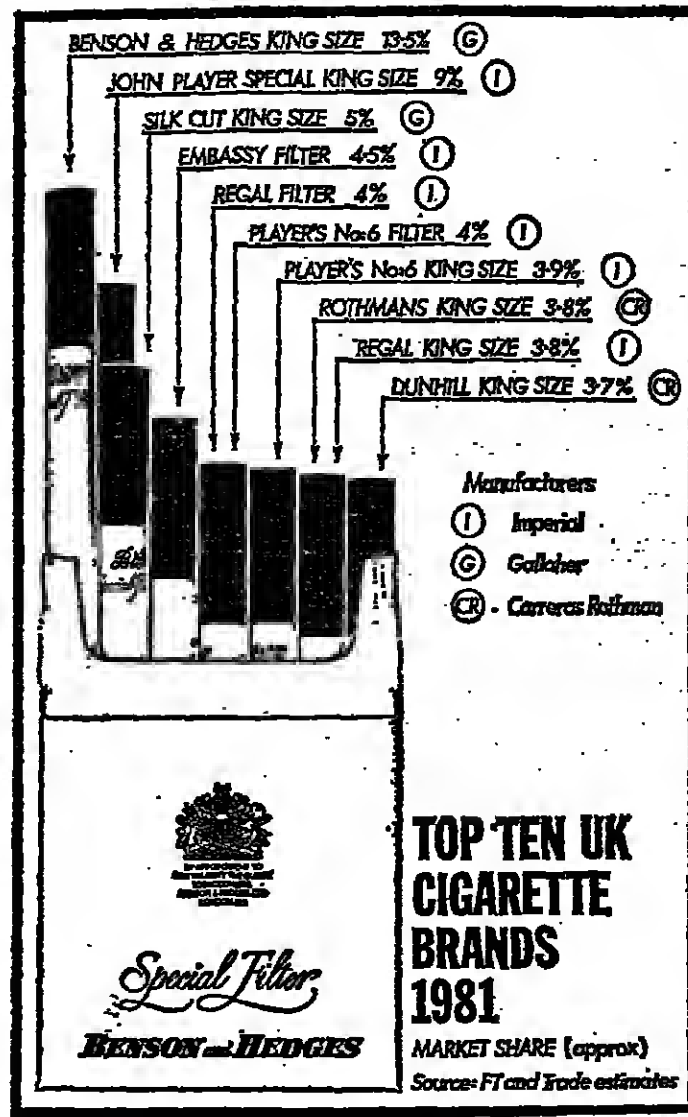
By the summer of 1979, hostility between companies had somewhat abated as the combatants realised that not everyone could be a winner in such a litigious contested market. Nonetheless, Imperial had re-emerged as the dominant company but with a reduced market share.

Hostilities, however, began again in 1980 when "matched dealing" was felt to have been played out and the companies switched to a different tactic. This time, a number of new brands were introduced; smokers were lured with special introductory offers. The result was virtually a two-tier market with "economy" brands—those recently introduced onto the market—costing about 4p less than "regular" brands.

Yet the impact of the savage duty increases by the Chancellor last year—14p in March and a further 3p in July—prompted a more lasting peace between the tobacco companies. The sales slump forced the manufacturers substantially to reduce their promotional activity. "We were on a merry-go-round to hell," asserts one marketing executive, "with profits disappearing before our very eyes. It was bad enough fighting the Chancellor without fighting each other as well."

Last week Gallaher showed that the reduced level of price promotions had enabled it to bolster its tobacco margins and report pre-tax profits from tobacco up by £5m to £84.7m. City analysts feel that Imperial, after last year's sharp fall in interim profits from tobacco—they fell from £49.6m to £26.1m—may today be able to report a similar recovery in both margins and profits, although its market share has slipped to about 50 per cent in recent months.

Yet there remains a wide-



spread feeling within the trade that once the budget is out of the way there will be a renewed outbreak of fierce competition. With production generally being slumped down and with some margin recovery under their belts, some companies apparently feel that sales can still be gained at the others' expense.

Offensive

A number of new brand launches, for example, are understood to be on the stocks. Gallaher has already decided to launch a new brand—called Jubilee—next week at the same time as putting up its prices generally by 2p a packet. The new brand, aimed at the low to middle tier sector of the market, will be priced below most other brands in this sector in an attempt to capture a substantial slice of the traditional pre-budget buying of cigarettes.

The other major companies are also believed to be considering new brand launches, although no final decision has been taken on whether—or when—they should be catapulted into the fray.

Within some sectors of the industry, however, the view remains that a new price war and promotional offensive will be too damaging to profits to

achieve more than a marginal increase in market share.

Moreover, there is also the belief that no new initiative should be launched until after the negotiations on sports sponsorship and advertising are concluded with the Government. A new agreement regulating tobacco companies' sponsorship of sporting events—currently worth about £4.5m—is likely to be announced soon. The agreement is expected to be broadly similar to the existing deal, with perhaps the addition of health warnings on sponsors' promotional material.

Of greater concern to the industry is the agreement on tobacco advertising which expires this summer. The last agreement, which was concluded only in late 1980, did not harm the industry as much as had been expected.

Moreover, now that the recent ministerial changes at the Department of Health have replaced the two anti-smoking "hardliners" (Patrick Jenkin and Sir George Young), the industry does not expect the present Government to take a tough line on cigarette advertising before the next election.

Yet the feeling persists within the tobacco world that after 1984 the threat to tobacco advertising will re-emerge, however the next government is constituted.

Advertising curbs 'need tightening'

ROGUE advertisers who make misleading claims may continue to escape legal sanction because of Government intransigence about bringing in tough new powers to curb unfair advertising.

The Government has so far ignored the two-year-old recommendations of a Whitehall working party which recommended that the present voluntary system of self-regulation in the advertising industry should be given more teeth.

The Government appears to be trying to off-load the whole problem of recalcitrant advertisers onto the European Commission which itself is dragging its feet over a proposed draft directive on unfair and misleading advertising.

Exactly two years ago, on February 11 1980, a report by a Department of Trade working party on this self-regulatory system recommended that the director general of Fair Trading (at present Gordon Borrie) should have the power to take legal action—such as a High Court injunction.

Since then, the issue has officially been "under review" within Whitehall with no likelihood of early legislation. But this week Borrie re-affirmed the need for such powers. "There are inherent weaknesses in the present system of self-regulation of advertisements which need to be remedied by statutory and legal means," he says. "It really is only a question, however, of backing up a self-regulatory system which has turned out to be quite good."

The issue of how to control advertisers in media other than television and radio (which have their own statutory controlling bodies) has vexed the advertising industry ever since self-regulation was established in the early 1960s with the formation of the Advertising Standards Authority.

In 1975, following criticisms from the Labour Government and the then director general of fair trading, the self-regulatory system was strengthened.

However, in 1978, Roy Hattersley, the then Prices and Consumer Protection Secretary, launched a strongly worded attack on the effectiveness of self-regulation. This criticism led, first, to the OFT reviewing the system (it reported in November 1978). Secondly, it led to the Department of Trade's working party whose report was published two years ago today. Both the OFT and Trade Department reports came to the same conclusion: the director general of fair trading should have legal powers to enforce cases where the voluntary system of self-regulation could not work.

Borrie points out that there are two main areas in which he should have powers to act: to take effective action where the ASA is stymied, and to take speedy action to prevent unfair or misleading advertisements from being displayed.

Although the ASA covers most forms of advertising there are a few areas—such as direct mail, free-sheets, and publications such as "Exchange and Mart"—which are not covered by the self-regulatory system. Thus Borrie would, in effect, be extending advertising monitoring work into these areas.

But there are also cases where advertisers who fall within the ASA's remit could refuse to stop publishing unfair and misleading advertisements. Under the proposed system, Borrie would have the power to apply to the High Court for an injunction "in any case where he considered that an advertisement was likely to deceive, mislead, or confuse with regard to any material fact."

Legal power

It could be the case, for example, that a situation which a long "lead time" between printing and publication would refuse to take out an advertisement from an advertiser that had ceased trading but was still taking money through such advertisements from members of the public. "I don't think the self-regulatory system is aimed at making companies carry out decisions which are against their commercial interests," says Borrie. But Borrie believes he should have the legal power, in the public interest, to prevent an advertisement from being published.

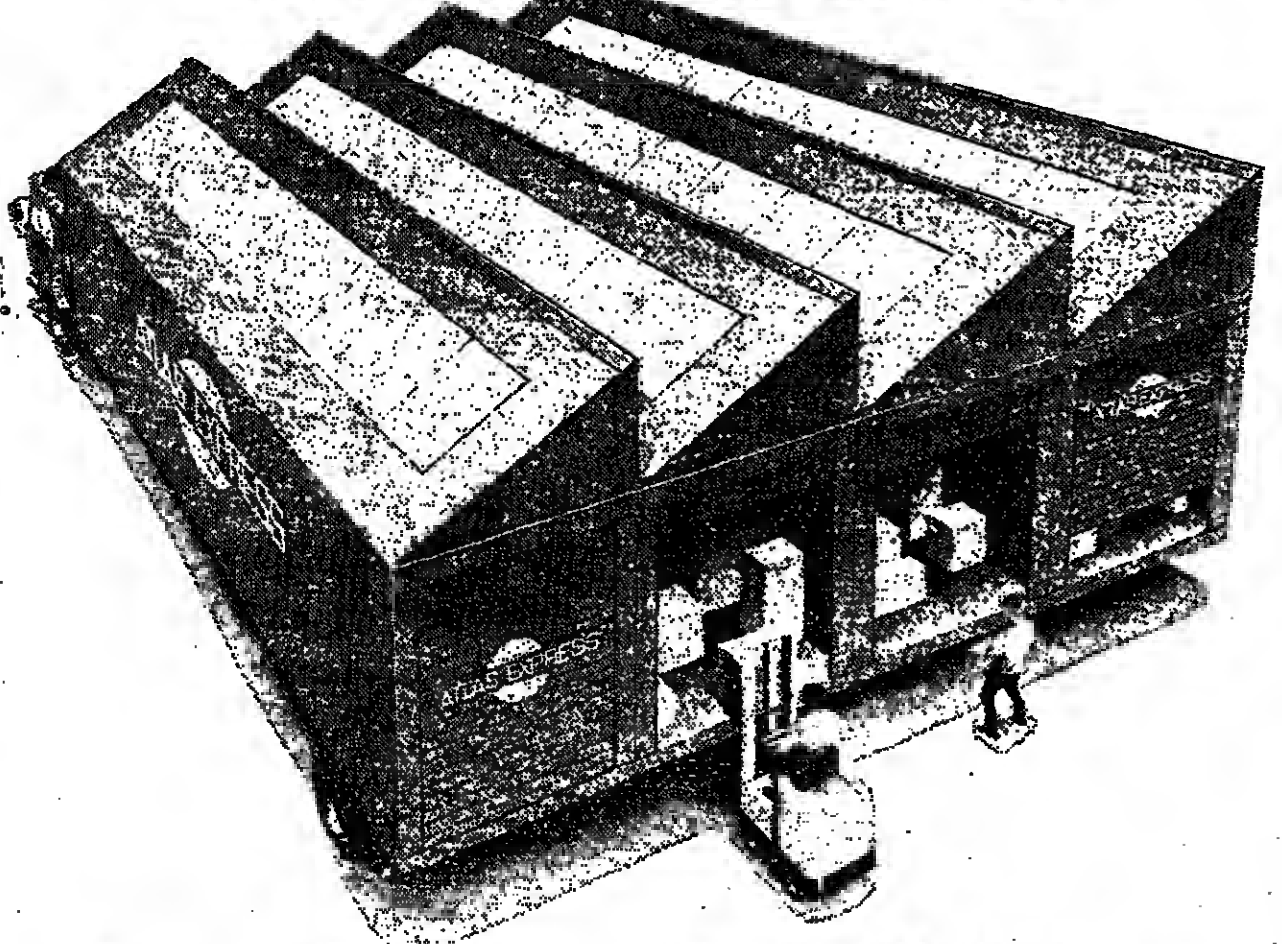
The Government's delay in implementing the findings of its own working party of two years ago has been caused by two factors. First is the pressure on Parliamentary time especially for what is regarded as an issue which is not immediate.

Secondly, the Government has been able to take refuge behind the proposed EEC draft directive on unfair and misleading advertising which is currently grinding its way through the Brussels bureaucracy—with no signs of emerging. This directive would overlap significantly with much of the existing UK controls over advertising, although not in the same way as envisaged by Borrie in giving him wider powers to act.

However, until this directive emerges, or the Government decides to give Borrie more powers to act quickly, then the rogue advertiser will remain at large.

D.C.

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Trouble-free because it's been planned over several years to suit all kinds of customers and storage problems.

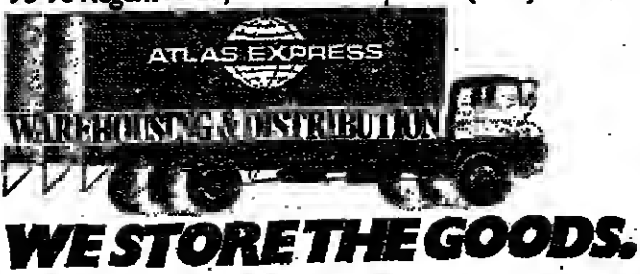
Trouble-free because we have used our extensive experience in the distribution market to provide a complete service from the end of the production line to your customers loading bay.

And economical because you buy only the service

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Atlas Express have Warehousing and Distribution locations throughout the U.K. capable of handling everything from long term storage through to quick turn around buffer stock. Each centre offers efficient stock control facilities and can link with your own or the Atlas Express transport service for fast distribution.

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 Company _____
 Position _____
 Address _____
 Telephone _____



BBC 1

9.05 am For Schools, Colleges, 12.50 pm News After Noon, 1.00 pm Public Bill at One: LAS, King...

TELEVISION

Chris Dunkley: Tonight's Choice

Friends who moved to our street 12 years ago were worried about the security of the house so, before they even unpacked, they went out to buy new locks...

BBC 2

11.00 am Play School, 12.00-12.50 pm Open University, 3.00 pm Bowls: Embassy World Indoor Championship...

LONDON

9.30 am Schools Programmes, 12.00 The Woodfin, 12.10 pm Get Up and Get!, 12.30 The Sullivans, 1.00 News, plus FT Index...

BUSINESS LAW

Commission's quest for wider powers

By A. H. HERMANN, Legal Correspondent

THE relentless efforts by the EEC Commission to widen the scope of its legislative powers has finally reached a point where France, Italy and the UK have felt obliged to call a halt...

directives on the member states meant to serve individual interests are clear, unconditional, and their implementation is practicable without further measures...

required to keep data on such transactions for five years and to communicate them to the Commission on request. The Commission says it needs this information to be able to make sure that member states do not grant to public or private enterprises subsidies which are incompatible with the Common Market...

from a few narrowly defined exceptions of a transient nature, it also has no powers to make directives. The Commission denies all this. It argues that it needs the information to prevent public funds seeping through the multi-layer structure of the financial relations between governments and public enterprises and by-passing in this way EEC rules on state aids...

The quest for wider legislative power is not the only source of conflict between the Commission and member governments. The other source of friction is the largely successful effort by the Commission to re-write the Treaty and to give EEC directives the same force of superceding national legislation as have regulations. In this it recently scored a notable success.

The court agreed with the Commission. As to the safeguards against tax evasion, the court took the view that general statutory provisions available in Germany were sufficient for this purpose. It held that even if a directive as a whole requires national legislation for its implementation, some of its provisions, which are unconditional and sufficiently precise, may have direct effects on which the citizen may rely in national courts, and which overrule national legislation.

As to the Commission's general function of a "guardian of the Treaty", this in the British Government's view, can be performed only with such powers as are transferred to the Commission by the Council. The Commission has no powers to make regulations and, apart

from the Commission, it would have to give some thought to the problems which will arise from the co-existence of two sets of EEC laws: one created by the Council after consultation with the European Parliament and the Economic and Social Committee, and the other created by the Commission alone, and possibly quite different.

All IBA Regions as London except at the following times:-

ANGLIA: 12.30 pm Anglia News, 2.00 pm Not For Women Only, 3.45 The Electric Theatre, 6.00 About Anglia, 8.50 Arena, 6.25 Crossroads, 7.00 News, 10.30 Super-Sound, 11.00 Parents and Teenagers, 11.30 Lou Grant, 12.30 am Talking of People...

What's On Where, 6.40 Tata Tuckermor, 7.00 Benson, 10.28 Channel Late News, 10.34 A Better Read, 11.05 Parents and Teenagers, 11.35 The Jazz Series: John Dankworth Quintet, The Ronnie Scott Quartet, 12.05 am News and Weather in French...

HTV Cymru/Wales-As HTV West

12.00-12.10 pm Mwmn, 4.15-4.20 Catefan Tanc, 4.45 Sfr, 5.10-5.20 The Undersaw Adventures of Captain Marn, Y Oyd, 6.15 Repeat Wales, 6.30-7.00 Sports Aruna, 10.30-11.30 All Kinds at Everying...

Gymnastics: The Billy Merrit

Champions Cup, 5.15 Radio, 5.20 Coast to Coast, 5.00 Coast to Coast (continued), 6.25 Crossroads, 7.00 Emmerdale Farm, 10.30 Just William, 11.00 Parents and Teenagers, 11.30 Sports Aruna, 10.30-11.30 am Campany, 12.30 am Campany...

(S) Stereophonic broadcast # Medium Wave

RADIO 1: 5.00 am As Radio 2, 7.00 Mike Reid, 8.00 Simon Bates, 11.30 Dove Lea, 12.00 News, 1.00 Paul Barnett, 2.30 Slave Wrighl, 5.00 Pator Powell, 7.00 The Record Producers, 8.00 David Tennant, 10.00-12.00 John Peel (S)...

with Round Midnight, 1.00 am Trackers' Hour (S), 2.00-5.00 You and the Night and the Music (S)...

RADIO 3: 8.55 am Weather, 7.00 News, 7.05 Morning Concert (S), 8.00 News, 8.05 Morning Concert (continued), 9.00 News, 8.05 This Week's Composer: Bartok (S), 10.00 Arnold Bax (S), 11.05 City of Birmingham Symphony Orchestra (S), 1.20 pm News, 1.05 Manchester Midday Concert (S), 2.00 'David as Jonathan,' tragic opera in a prologue and two acts by Mercantine Charpentier (sung in French), star Profile, 11.00 Survival, 11.30 Lou Grant...

RADIO

News, 12.02 pm You and Yours, 12.27 Navar Too Lots (S), 12.55 Weather; programme news, 1.00 The World at One, 1.40 The Archers, 1.58 Shipping Forecast, 2.00 News, 2.02 Allomong Hour, 2.00 News, 3.02 Allomong Theatre (S), 4.00 Home Base, 4.15 Booksholl, 4.45 Story Time, 5.00 PM: News magazine, 5.50 Shipping Forecast, 5.55 Weather programme news, 6.00 News including Financial Report, 6.30 Any Answers? 6.56 It's a Bargain, 7.00 News, 7.05 The Archers, 7.20 Time For Vane, 7.30 'Patience' or 'Bunthorne's Bride' by Gilbert and Sullivan (S), 8.40 Interval: Stanley Holloway reads W. S. Gilbert, 8.45 'Pallucco,' part 2 (S), 9.30 Keltidisco, 9.58 Weather, 10.00 The World Tonight, 11.00 A Book at BedTime, 11.15 The Financial World Tonight, 11.30 Today in Parliament, 12.00 News...

NEWS

12.02 pm You and Yours, 12.27 Navar Too Lots (S), 12.55 Weather; programme news, 1.00 The World at One, 1.40 The Archers, 1.58 Shipping Forecast, 2.00 News, 2.02 Allomong Hour, 2.00 News, 3.02 Allomong Theatre (S), 4.00 Home Base, 4.15 Booksholl, 4.45 Story Time, 5.00 PM: News magazine, 5.50 Shipping Forecast, 5.55 Weather programme news, 6.00 News including Financial Report, 6.30 Any Answers? 6.56 It's a Bargain, 7.00 News, 7.05 The Archers, 7.20 Time For Vane, 7.30 'Patience' or 'Bunthorne's Bride' by Gilbert and Sullivan (S), 8.40 Interval: Stanley Holloway reads W. S. Gilbert, 8.45 'Pallucco,' part 2 (S), 9.30 Keltidisco, 9.58 Weather, 10.00 The World Tonight, 11.00 A Book at BedTime, 11.15 The Financial World Tonight, 11.30 Today in Parliament, 12.00 News...

Large advertisement for Sperry featuring a dark background with a person's face and the text: 'We'll never know how many ideas have been lost, or chances missed, because they were simply never noticed. But at Sperry, we're determined not to overlook a single one. Staying inventive and ahead in a technological world requires a uniquely human skill. The ability to listen. Which is why we've set up listening training programmes, world-wide, for Sperry employees to attend. In computer science, defence and aerospace, where new systems can take decades to develop, we've found the best way to meet tomorrow's needs. Listen well enough to anticipate opportunity, long before it has a chance to knock. SPERRY We understand how important it is to listen. For a booklet on listening, write to Sperry, Dept. FT 14, 78 Portsmouth Road, Cobham, Surrey KT11 1JZ.

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JOBS COLUMN

Chillier outlook for highest-paid places

BY MICHAEL DIXON

"THEY don't know how the other 99 per cent of the country lives." That comment about the staff of banks in the City of London has often been made to this column during the couple of years in which it has kept a regular check on pay in City banking.

Even if one forgets the subsidised mortgages and such usually available to longer-serving staff, their salary levels are a source of envy and occasionally wonder, especially to managers in manufacturing concerns in other parts of the land. And my previous tables drawn from the regular surveys by the Jonathan Wren recruitment company (170 Bishopsgate, London EC2M 4LX; telephone 01-623 1266) showed the salary levels to be rising ever higher.

But the tide seems to be turning. Wren's latest report shows a 12.1 per cent annual rise on average among all 134 types of staff covered by the full survey, which was made between August 29 and January 15. It is the lowest mean increase for at least five years.

The accompanying table is confined to the highest-paid staff, as measured by the current salaries of applicants for jobs offered through the recruitment company. To qualify for inclusion in the table, the average salary of the applicants for the kind of job in question must be at least £15,000. Three years ago only

TOP SALARIES IN CITY BANKS — END-AUGUST TO MID-JANUARY

	Minimum		Average		Change on average	Maximum	
	1981-2 (1980-1)	£	1981-2 (1980-1)	£		1981-2 (1980-1)	£
General manager	28,000	(20,000)	47,266	(34,999)	+20.8	65,000	(60,000)
Assistant general manager	20,000	(17,750)	28,000	(24,051)	+16.4	34,000	(36,500)
Foreign exchange/money manager	18,000	(20,000)	24,500	(25,272)	+ 4.9	37,500	(32,500)
Bond issue manager	16,000	(16,500)	23,000	(19,880)	+15.7	37,000	(30,000)
Adviser on banking and administration	17,000	(10,000)	21,250	(12,540)	+69.5	25,000	(15,000)
Senior corporate finance executive	16,100	(14,000)	20,633	(19,786)	+ 4.4	28,500	(25,000)
Loan manager	17,500	(17,750)	20,240	(23,581)	-14.2	36,000	(32,500)
Syndication manager	16,000	(14,000)	20,000	(13,569)	+47.4	22,000	(20,500)
Financial controller	15,000	(14,000)	19,500	(18,824)	+ 3.4	28,000	(24,000)
Foreign exchange chief dealer	15,400	(15,000)	19,133	(18,942)	+ 1.0	25,000	(22,800)
Project finance manager	15,000	(10,500)	18,331	(16,325)	+12.3	20,000	(22,500)
Operations manager	15,000	(14,000)	17,872	(17,500)	+ 2.2	25,000	(21,000)
Chief auditor	11,500	(14,000)	17,333	(17,023)	+ 1.8	22,000	(22,000)
Senior investment manager	16,000	(14,000)	17,000	(18,202)	- 6.6	22,000	(23,000)
Personnel manager	11,586	(13,500)	16,283	(16,452)	- 2.2	20,000	(21,000)
Senior lending officer	12,000	(10,000)	16,130	(15,210)	+ 6.0	22,000	(22,500)
Legal officer	9,500	(7,000)	14,000	(12,721)	+25.8	22,500	(23,250)
Administration/premises manager	11,750	(8,000)	15,980	(11,110)	+43.8	20,000	(15,000)
Company secretary	13,000	(10,500)	15,800	(15,245)	+ 3.5	25,000	(23,000)
Bond administration manager	10,500	(10,000)	15,500	(13,445)	+15.3	16,000	(18,000)
Branch manager	11,500	(12,000)	15,353	(14,943)	+ 2.7	19,345	(24,500)
Data processing manager	12,000	(10,500)	15,000	(14,250)	+ 5.3	22,000	(16,000)

five years would have qualified, two years ago eight would have done so, last year 15—which has since increased to 22. But the overall rise in average salaries among these 22 between the latest survey and the one 12 months previously was only 10.9 per cent.

The variances from this average shown by the individual types of job are greater than any I can remember. The prize for added value in terms

of mean salary goes to the advisers who have to be approved by the Bank of England as suitable for guiding their employing company's banking and administrative procedures.

The trend in demand which Wren observes to be developing most strongly is for staff in relatively new areas of operation. They include leasing executives and corporate finance managers.

At the other end of the market, the recruitment company reports that some banks are withdrawing from less profitable areas even at the expense of ceasing to offer a full range of traditional facilities. And redundancies appear to be on the increase.

These are liable to inflict a still bigger shock on their victims than redundancies in other sectors. Witness the case—reported, with obvious regret,

by the chief of a City-based bank—of the woman personnel officer whose job was abolished a few months ago. At £11,800 her salary was comparatively low. People in similar posts in neighbouring banks were paid up to £3,000 more. But outside her former sector the woman seemed unable to reach the short-list for any job with a salary of more than about £6,000.

Sad to say, it looks as though not knowing how the other 99 per cent live now entails an increasing risk of finding out both suddenly and shatteringly.

Get skates on

IF that thought makes any youngish bankers with success in corporate banking feel inclined to go and work in Alaska, then Dudley Edmunds of Robert Half Personnel (UK) would be glad to hear from them. He would be even more so if their three to eight years experience in international or merchant banking included experience of syndications, too.

He may not name the employer and so — as is ever the case in this column when the employing concern is anonymous — promises that any applicant who so asks will not be identified to the company without further notice. What he may say is that the recruits are for a commercial bank with more than 30 branches and deposits of about US\$800m.

It has openings for several lending officers only one of whom, I'm assured, will need to be able to speak Japanese. Salaries indicator is \$35,000. Inquiries to Mr Edmunds at Lee House, London Wall, London EC2Y 5AS; Telephone 01-606 6771.

Eastward ho!

ALTERNATIVELY, if Alaska won't do and you happen to be in foreign-exchange trading or corporate treasury work, how about Hong Kong? John Williams of Whitehead Technical Services seeks four such staff and a group leader to work from there for an unnamed international treasury-management company. If they succeed in the Far East operation during their first two or three years, there are apparently good prospects of promotion and a move to Europe or to New York.

Candidates need understanding of foreign exchange, ability to assess economic trends across a range of countries, skill at selling to highly placed clients, and proficiency at writing reports. Salary indicators run from £12,500 to £30,000 — the tax rate in Hong Kong being at most 16.5 per cent — plus allowances to provide equivalent living conditions.

Inquiries to Mr Williams at 21 Wigmore Street, London W1R 9LA; Tel. 01-580 0191, Telex 27789.

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مكتبة التوظيف

Project and Export Finance

Samuel Montagu is expanding its involvement in project and export financing worldwide and now seeks to recruit a number of individuals at varying levels of seniority.

Applicants will be expected to have had considerable experience, gained in one or more continents, in the various methods of raising finance for projects and should be able to demonstrate substantial dealings with contractors, export finance agencies and other project participants.

A considerable amount of travel is likely to be required of those selected and there will be the possibility of working overseas for Samuel Montagu at some stage; career prospects in a rapidly expanding area of the Bank's activities are excellent.

The successful candidates will be offered competitive salaries together with the usual substantial benefits available in a major merchant bank.

Please reply in confidence, with full relevant details to T.J.B. Locker:

Samuel Montagu & Co. Limited
114 Old Broad Street, London EC2P 2HY



Deputy Secretary

London Up to £19,000 plus car

One of the country's foremost financial enterprises is seeking a Chartered Secretary - ideally in his/her early 40s - to assist and deputise for the Company Secretary in all aspects of his function, relating essentially to Board, company legal and shareholder affairs. Specific duties will include servicing Directors' and other committees, handling the requirements of subsidiary companies and overseas interests and giving technical guidance to departmental staff.

In addition to extensive practical experience within the Secretarial function of a large organisation, preferably having overseas subsidiaries, the appointment will demand personal qualities of a high order. Diplomacy, resilience, a capacity for clear and original thinking and a sense of humour will all help to ensure effectiveness in a job which is sometimes subject to considerable pressure and consistently requires the ability to gain the respect and co-operation of people at all levels. A banking, legal and/or accounting background would also be beneficial.

The salary scale indicated is shortly to be reviewed and benefits are in line with the best in the financial sector. Please apply in the first instance to the address below, quoting Ref. 235/6FT and indicating in confidence any companies to which your application may not be sent.

Charles Barker

MANAGEMENT SELECTION INTERNATIONAL LTD.

30 Farringdon Street, London EC4A 4EA. Telephone: 01-236 0588.

MANAGEMENT SELECTION - EXECUTIVE SEARCH

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Financial Accountant

Young ACA
Bahrain, to £15,000 net + accommodation etc.

Gulf Petrochemical Industries Company is building a \$350m. ammonia and methanol complex with a completion date in 1985. Reporting to the Finance Manager the successful candidate will take responsibility for the full financial accounting function, EDP development and the training of staff. Applicants will ideally be aged 25-35, qualified ACAs with at least 3 years' post qualification experience in either an engineering or manufacturing industry. The company offers all the benefits of a major organisation.

N.P.S. Lilley, Ref: 22306/FT. Candidates should telephone in confidence for a Personal History Form 01-734 6852, Sutherland House, 5/8 Argyle Street, LONDON, W1E 6EZ.

Highly Numerate Manager

£15-20,000

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International Exhibition Forwarding South London
Our clients are a small but active and fast growing company in the business of International Exhibition Forwarding. They seek to appoint a highly numerate administrator/manager to perform the duties of Financial Controller/Company Secretary on behalf of the company and its subsidiaries, some of which are overseas. The successful candidate, who must have an accountancy or related qualification, will be expected to undertake a wide range of managerial duties in addition to the purely financial. He/she will have to adapt to a fast moving, fast growing environment, and will need to travel. The prospects for advancement and reward are equalled by the problems that will need to be solved.

Applicants, ideally aged 30-35, should write to: E. St. V. Troubridge, or alternatively ring for a personal history form quoting reference No. 1988.

Higson Ping Ltd./Executive Recruitment Consultants.
110 Jermyn Street, London SW1Y 6HB.
Telephone: 01-930 4196 (24 hour answering service).

Development and Acquisitions Manager

£16,000 per annum

Birmingham based diversified listed holding company wishes to appoint a Development and Acquisitions Manager. Candidate should be 25 to 40, hold a degree or equivalent professional qualification, have marketing and line management experience and possess an entrepreneurial spirit. Salary £16,000, normal fringe benefits.

Send full cv to:

Box A7743, Financial Times, 10 Cannon Street, EC4P 4BY

PERSONAL ASSISTANT TO MANAGING DIRECTOR

Age 27+, A.I.B. with wide experience in UK commercial banking, including administration, required for newly-formed finance company in the West End of London.
Salary £8,500 p.a.
Please ring
MRS. E. WRIGHT
01-493 3834 ext. 215

City Five Figure Salary

Deputy Head of Accounts

ORION ROYAL, a major international merchant bank, is the flagship of the Royal Bank of Canada's World Trade and Merchant Banking Divisions, which offers a comprehensive range of financial services worldwide.

This is a new position within the department, created by internal promotion. The successful candidate will undertake two major duties:

- the production of monthly financial and annual statutory accounts
- the daily supervision of junior staff in the department.

The candidate should be 26-30 years old and will hold an appropriate accountancy qualification with relevant bank accounting experience, or will have gained a comprehensive knowledge of accounting in a supervisory capacity within an international bank. Candidates must be able to prove that they have the qualities of leadership, the ability to take decisions and the enthusiasm to become completely involved with the department's activities.

This is an opportunity which offers a genuine chance of assuming responsibility and achieving management status rapidly.

In addition to an attractive salary, the company offers excellent fringe benefits, including a house loan facility at 4% interest per annum.

Applications, which will be treated in the strictest confidence, should be forwarded to Keith Wood, Associate Director - Personnel, Orion Royal Bank Limited, 1 London Wall, London EC2Y 5JX.

ORION ROYAL BANK LIMITED
A member of The Royal Bank of Canada Group



FINANCIAL CONTROLLER

City £15,000
Do you possess the strength of character to monitor a team of dealers through well disciplined financial controls? A well respected commodity house seeks an ACA 28-35 preferably with commodity experience gained in the profession or in commerce. Responsible for all accounting and related matters the ideal candidate must have good interpersonal and technical accounting skills, combined with the ability to keep three balls in the air at once.

ACCOUNTANT

A progressive and highly respected London bank seeks to complement its existing accounting team with an experienced Bank Accountant. Although banking experience is essential the appointee will have little involvement in the day to day bank accounting but will specialise in complex statistical and budgeting operations and relevant management reporting. The appointee is likely to be a graduate who having qualified as an ACA with a major practice has gained at least 3 years relevant experience. Excellent salary and benefits.

TREASURY

Surrey £14,500
At the Head Office of this multinational manufacturing group, the centralisation of the treasury function has created a challenging opportunity for an experienced Treasurer. Reporting to the Treasury and Credit Manager you will be responsible for both the sourcing and use of funds. There will also be considerable involvement in the company's foreign exchange transactions. Experience is more important than qualifications for this key role.

"THE" FIRST MOVE...

W. London To £11,500 + Car
... from the profession is critical, in order to ensure that your already successful track record is enhanced. If you are a graduate ACA 25-28, commercially aware, technically able, a good problem solver, used to tight deadlines, with sound computer audit experience our clients would like to meet you. They are an outstanding successful U.S. corporation who will utilise your abilities to the full in an investigative role based at H.Q.

CHARTERED ALCOHOLIC

City £10,750
... to develop a new computer based system for the complete U.K. and European operations of this consumer orientated group. A sound knowledge of tax is necessary and the ability to push the system to top rank in Europe. A young fully qualified ACA/ACCA with ambition and drive could expect promotion to Chief Accountant of a subsidiary within 2 years.

Lee House, London Wall, London EC2Y 5AS Tel: 01-606 6771

ROBERT HALF

Accountancy & Financial personnel specialists

WOLVERHAMPTON BOROUGH COUNCIL

DIRECTOR OF FINANCE

Salary £19,983 + £444 (3) - £21,315

Applications are invited for the above appointment which will become vacant on 31 March 1982 on the retirement of Mr George Warrander.

The person appointed will be responsible for a department (comprising 284 staff) providing the full range of financial and computing services and will also be a member of the corporate management team.

Applicants should be suitably qualified with substantial administrative and managerial experience at a senior level in local government finance.

Further particulars and application form to be returned by 26 February 1982, may be obtained from the Chief Executive and Town Clerk, Civic Centre, Wolverhampton.
Tel: 0902 27811 Ext. 2106

WOLVERHAMPTON

QUALIFIED ACCOUNTANT

£11,000-£12,000 p.a.

Company based in the City is seeking a qualified accountant aged up to 32 years and ready to assume the role of Financial Controller. Candidates should be within easy commutable distance of London and Southend.

Call Sylvia Horner on 734 0911 or send C.V.'s to:
ACCOUNTING OVERLOAD (AGY)
225 Regent Street, London, W1.

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Substantial Commodity Trading Group

Our Client is a well established and expanding international commodity trading group, whose current plans call for the recruitment of a senior bullion dealer to join its successful trading operation in London.

Candidates, probably in their mid/late 20's, must be able to demonstrate several years' active and successful dealing experience acquired with one of the major houses.

This represents a challenging opportunity with a growth-oriented organisation where ability and performance will be rewarded by a competitive salary and attractive fringe benefits.

Contact Norman Philpot in confidence on 01-248 3812

NPA Recruitment Services Ltd

60 Cheapside, London EC2. Telephone: 01-248 3812 3815

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£12,500+ LONDON W1

Financed by a large and respected listed Group, this UK Company formed just two years ago, is already acknowledged as a leader & pioneer in its field. It derives its success from a unique marketing philosophy, an innovative & aggressive management team and a total commitment to grow. The company is pursuing an active & ambitious programme of expansion and as an integral part of its plans wishes to recruit a bright commercially experienced Accountant who has a direct & positive approach to business.

This is a broad role within a fast moving environment; the specific brief being the co-ordination & control of accounting & management information spanning all the company's activities; the installation of financial controls in certain key areas, with direct involvement in the development of computerised systems.

Additional tasks & responsibilities include the interpretation of monthly & annual accounts, detailed performance analysis; cash flow forecasts, budgets and special business reports including client studies.

Reporting to the Financial Director, the appointee will be exposed to a wide range of business management matters. The career rewards within this enterprising company are appreciable.

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Our client is a market leader engaged in the manufacture of specialist tooling and associated equipment. To maintain this position, new market opportunities must be sought both in the U.K. and overseas.

A new Managing Director is to be appointed to lead the Company and ensure its continued success in this dynamic, but changing, environment.

Candidates will be engineers by discipline with significant tooling experience. Leadership ability coupled with a strong commercial awareness are of vital importance rather than pure technical knowledge.



Suitably qualified men and women please apply for an application form, quoting reference C.280, to E.R.P. Recruitment Ltd., Clemence House, St. Werburgh Street, Chester, CH1 2DY. Telephone Chester (0244) 317886.
Specialists in Recruitment for U.K., Middle East & Europe.

Financial director

Oxfordshire, c£17,500 + car



For a long established and highly respected contract research organisation providing specialist technical services to public and private sector clients throughout the world.

Reporting to the Managing Director you will be responsible for the entire financial and administrative functions. While the initial emphasis will be on improving management information systems, equally important will be the contribution you will make in assisting your colleagues in the profitable development of the business.

A qualified accountant, you must be experienced in managing the financial function at least as a deputy and preferably in a professional or commercial organisation.

Resumes including a daytime telephone number to E.J. Robins, Executive Selection Division, Ref. R040.

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Shelley House Noble Street
London EC2V 7DQ

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We are currently searching for individuals or groups who, having established a private client and/or institutional clientele, now wish either to extricate themselves from a partnership liability or to concentrate their time and efforts on servicing and developing their own personal business.

For an initial talk, in strictest confidence, please contact Anthony Innes or Fiona Stephens.

Stephens Associates

International Recruitment Consultants

44 Carter Lane, London EC4V 5BX. 01-236 7307

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City

c. £15,000 + Benefits

Our client is a leading life assurance company with a substantial investment and property portfolio whose premium and investment income has more than trebled over the last five years.

Current and anticipated growth necessitates the recruitment of an experienced tax professional probably aged 35-45 to head up a small section responsible for compliance and involved in tax planning within the parent and subsidiary companies.

The successful candidate is likely to have:-

- * An accounting qualification and/or membership of the Institute of Taxation.
- * Considerable experience within a financial institution.
- * High self-motivation and an ability to communicate at all levels.

Benefits include a subsidised mortgage, non-contributory pension scheme and free medical coverage.

Please reply in confidence with brief career details or telephone D.E. SHRIBMAN.

Hudson Shribman International

College Hill Chambers, 23 College Hill, EC4

01-248 7451

Senior Investment Manager

London

to £20,000 + car

This key appointment is with a young team in a progressive finance company which is active in investment overseas. The successful candidate will be responsible for finding and negotiating investments in a defined world business area, and for managing an existing £20 million portfolio of investments. In addition, the Investment Manager required must serve on boards of directors where appropriate. The person appointed is likely to be 35-40 years of age and to have sound investment analysis experience gained in commerce, industry, merchant or international banking. A professional qualification is essential, combined with initiative, business acumen and the ability to relate easily at all levels of management. Additionally, all

applicants must have the aptitude to recognise and complete sound investment opportunities, and the ability to monitor and assist their progress. On average about six trips overseas are made annually, each of about two weeks duration. The salary is negotiable up to £20,000, plus car and the location is London.

Write for an application form or send brief CV to the address below, quoting ref. AA387902/FT on both letter and envelope, and advising us of any other applications you have made to PA Personnel Services within the last twelve months. No details are divulged to clients without prior permission. Initial interviews will be conducted by PA Consultants. Men and women may apply.

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



Member of PA International

MANAGEMENT ACCOUNTANT

Northampton

Anglia Building Society the 6th largest building society -- assets over £2 billion, is to appoint an assistant to the Chief Accountant.

The Society's Head Office is based in the pleasant, semi-rural and expanding town of Northampton near to the M1 and M6 and served by frequent trains to London.

The Society has 300 UK branch offices and services controlling 1 1/2 million accounts using the most modern computerised systems. The appointment would interest a qualified accountant ideally with some familiarity with computerised routines and having enthusiasm and an innovative attitude of mind.

Attractive salary and conditions of service, including concessionary mortgage facilities, BUPA etc.

Please send application (with concise CV) to Personnel Manager, Anglia Building Society, Moulton Park, Northampton.

ANGLIA
BUILDING SOCIETY

Professional Banker

for commercial lending
to business and industry

The Trustee Savings Bank of Eastern England is in the midst of an important development programme. Part of an expanding and progressive banking group, we're now seeking to provide an extensive range of financial services to the business and industrial sectors in the Norwich, Bury St. Edmunds and St. Ives (Cambridgeshire) areas.

Based at our Area Office, you'll be responsible for the promotion of our commercial credit services to potential clients and the assessment and sanctioning of propositions -- right through to their administrative completion.

This post demands that you possess an outgoing and forceful personality, as you liaise and communicate at a senior management level. Qualified as a Banker with securities experience and familiar with all aspects of commercial lending you will be either in the most senior clerical grade or on first appointment. Preferred age 26-33. In addition a current driving licence is essential.

The potential market for our services is considerable, and your career prospects within the Bank are excellent. Salary indicator £10,000 with annual review pending -- and benefits include preferential mortgage and banking terms, non-contributory pension, five weeks holiday and relocation expenses where applicable. Applicants (male or female) should apply in writing (enclosing C.V.) to Chris Taylor, Department Head, Personnel, Trustee Savings Bank of Eastern England, Apex House, Oundle Road, Peterborough PE2 9NW.

TSB

TRUSTEE SAVINGS BANK of Eastern England

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Two senior accountants are required by a major international industrial group for their senior management team, as Regional Financial Controllers.

Reporting directly to the Financial Director, they will be responsible for financial control of a group of overseas companies with a turnover in excess of £200m and will have specific responsibility for the appraisal of financial performance, management information, budgets, forecasts, profitability and preparation of monthly financial reports.

Aged in their late 20's to mid 30's, the successful candidates must be qualified Chartered or Cost and Management Accountants and have substantial experience

in industry or commerce. A working knowledge of computerised accounts and other modern techniques is essential together with a good commercial instinct and self-motivation.

The company is based in the Midlands, and an extensive amount of overseas travel is involved. A negotiable salary in excess of £14,500 is being offered together with a full range of company benefits including company car, pension and medical care schemes.

Please write with relevant details to Confidential Reply Service, Ref. ABI 8348, Austin Knight Limited, Knightsway House, Sobo Square, London W1A 1DS.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the

Confidential
Reply Service
Supervisor



Austin
Knight
Advertising

Financial Controller

c. £12,000 p.a. + car
Leicester

Our client, an expanding and diversifying subsidiary of a British public group, seeks a qualified ACA/ACCA, with at least two years' post-qualification experience, to take control of the total accounts function based in Leicester.

Both staff and computerised systems are well established and, apart from supervisory responsibilities, the main requirement is an innovative approach to the interpretation of accounts and dissemination of management information to the Main Board.

You will assume Director status after an interim period and benefits, including BUPA and pension scheme, are excellent. Please write, with full details, to Peter Sandham, Director, Gresham Executive Appointments, West End House, 11 Hills Place, London W1R 1AG. Tel: 01-433 1461. Local interviews may be arranged.

Gresham
Executive Appointments

BANKER

WITH NORTH AMERICAN EXPERIENCE
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ITALIAN INTERNATIONAL
BANK

to expand its existing commercial business in the United States and Canada, with particular emphasis on Italian export finance. While you would be based in London, you would be expected to travel extensively in North America and would have available to you the facilities of the Monte dei Paschi di Siena (Italian International Bank's holding company) office in New York. Knowledge of Italian would be an advantage as would previous experience with an international bank in London. The appointment is at Senior Management level and the salary would be by negotiation. Age is probably not under 30 nor over 45.

Please apply to:
Managing Director
Italian International Bank Limited
F & O Building
Leadenhall Street
London EC3V 4PT



YOUNG FINANCE REPRESENTATIVES

£8/10,000 + car

Our clients require four young sales executives, aged about 25 years, who should have experience in leasing, H.P. or investment services, or have had formal sales training from a major company. Essential requirements are a degree or at least 'A' levels, at least one year's experience, excellent presentation and strong motivation towards sales. Some posts carry mortgage facilities.

Please telephone Brian Goodch.

Jonathan
Wren BANK RECRUITMENT CONSULTANTS
170 Bishopsgate - London EC2M 4LX - 01 623 2266

Hoggett Bowers

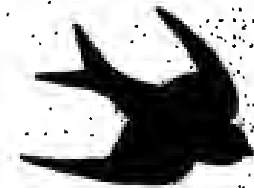
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BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE AND SHEFFIELD

Financial Controller

Lagos, Nigeria, to £30,000 + accomm. car etc.

Our clients are expanding their present manufacturing, civil engineering and trading activities to meet the demands of the growing Nigerian markets. Reporting to the Chief Executive, the successful candidate will take full responsibility for fund raising, cash flow planning, creating and implementing control systems and providing sound financial advice on the feasibility of new projects. Other duties will include the full financial accounting role. Applicants, ideally under 45 years, will be qualified accountants who must have held a comparable position in Nigeria or one of the other developing African countries. They will have had dealings with both African and Western banks and have been involved in the creation of new businesses. This is a career position with a fast growing organisation. The post provides for married status and offers excellent benefits.

N.P.S. Lilley, Ref. 22310/FT. Candidates should telephone in confidence for a Personal History Form 01-734 6852, Sutherland House, 5/6 Argyll Street, LONDON, W1E 6EZ.



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are looking for experienced LOCAL AUTHORITY and
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 LONDON E.C.2 **£9,000 - £13,000**

INTERNATIONAL MERCHANT BANK

We invite applications from candidates, aged 28-38, who are IPM qualified with at least four years' personnel experience, ideally in banking. The successful candidate, reporting to the Director responsible for Operations, will have overall responsibility for personnel administration, all recruitment, benefits, welfare, salary reviews, annual appraisals and pay roll. A good working knowledge of current employment legislation is essential, as is the ability to deal with a variety of matters methodically, with patience and good humour. Initial salary negotiable £9,000-£13,000 + generous benefits to include mortgage subsidy, non-contributory pension, free life assurance, free B.U.P.A. Applications in strict confidence, under reference PO 4084/FT, to the Managing Director:
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 35 NEW BROAD STREET, LONDON EC2M 1NH. TEL: 01-588 3588 or 01-588 3576. TELEX: 887374.
 * Unless you are applying for the above position, please do not write to us.

N.E. London **c.£13,500 + Car**

Finance Manager

Our client is a medium sized, financially strong private company in the timber industry which is closely associated with one of the major companies in that industry. The Board is young and aggressive in the pursuit of rapid, profitable growth.

In order to free the directors for this work, new management posts are to be created, the first of which is a Finance Manager who will oversee the accounting and secretarial functions of the company and prepare all accounts.

Reporting to the Commercial Director, to whom he or she will act as assistant, the successful candidate will be aged late-20s upwards and a qualified accountant. Experience will include treasury work and computerised management information systems and their development. A high proportion of the business is conducted overseas, so familiarity with export documentation and especially ECGD negotiations would be particularly helpful.

The company is at an exciting stage of its growth, and the importance of the post will grow with it. Benefits enjoyed will include private medical insurance.

Letters of application, together with C.V., salary progression and any other relevant data, should be sent without delay to Mr. C. A. Cotton, Executive Recruitment Division, The Stoy-MLH Group, 126 Baker Street, London, W1M 1FH, quoting reference A296.

STOY MLH
 Management Consultants

British Railways Board

Director of Supply

The task is to advise on procurement policy, direct its implementation, and maintain high level contacts with the Board's businesses, departments and regions. This will involve the control of over 300 staff, with an annual purchasing programme in excess of £600m.

The requirement is a senior procurement executive with a successful record in a large organisation, ideally with an engineering content. Some public sector exposure would be an asset.

The post-vacant due to the impending retirement of the present incumbent - will be of particular interest to those currently earning up to £25,000.

Location - Derby.

Please write in strict confidence with full personal and career details, quoting ref. 247/FT, to Philip Smith -

Philip Smith
 Manpower Consultants
 85-87 Jermyn Street, London SW1Y 6JD

American Express International Banking Corporation

DOCUMENTARY CREDITS CLERK

POOLE-DORSET

We have a vacancy for a Documentary Credits Clerk with at least 3 years current experience on Opening Letters of Credit in all prime currencies, and the payments of documentation thereunder. Applicants should be familiar with UCP 1974 (ICC Brochure 290), and a knowledge of Advances and Discounts would be advantageous. A generous re-location package will be offered to the successful applicant if necessary. Interviews will be conducted at our POOLE or LONDON offices. Salary by negotiation.

Please apply in writing, stating age and experience to:-

Mr. E. J. Ralphs,
 Assistant Vice President—Personnel,
 American Express International Banking Corporation,
 Voyager House, 253/257 High Street North,
 Poole, BH15 10W.

U.K. Fund Manager

Hill Samuel Investment Management Limited.

Hill Samuel have a vacancy for a U.K. Fund Manager in their expanding Unit Trust Department.

This represents an opportunity for a man or woman to join one of the leading investment management groups.

Hill Samuel manage more than £2000m of funds for pension funds, unit trusts, insurance companies, trusts and other private portfolios.

Applicants aged 28 - 34 should have a degree or professional qualification and a minimum of 5 years' experience as an analyst/fund manager.

An attractive remuneration package will be negotiated including a profit sharing scheme, mortgage facilities, BUPA and an excellent non-contributory pension scheme.

Please write with full career details, stating present salary, to: Mavis Clark, Personnel Manager, Hill Samuel Investment Management Limited, 45 Beech Street, London EC2P 2LX. Telephone: 01-628 8011.

HS
 A member of the Hill Samuel Group

Finance Director designate

Kent £18,000+ car etc.

Medical & Scientific Structures Limited has successfully developed, established and marketed a unique concept in the manufacture and assembly of a total package to supply highly sophisticated factory-engineered clean air buildings for medical and scientific research and production.

As part of the company's continuing development plans, there is now a need for a competent accountant to join our client as Finance Director—designate who will report to the Managing Director and be totally responsible for the co-ordination of effective accounting, budgeting and financial planning for the company.

Candidates for this new appointment, male or female, are most likely to be Chartered Accountants aged between 28 and 40 with several years industrial experience who must have the ability to motivate staff and liaise effectively with senior management in order to reinforce the operating efficiency of the company.

In addition to salary, benefits will include a fully expensed car, pension scheme, BUPA and annual holidays etc. Removal costs will be reimbursed should the successful applicant require to move home to take up this appointment. It is anticipated that the designate period will not be more than 12 months.

Please write in confidence for further details and personal history form to Michael R. Andrews, Executive Selection Division, Southway Towers, 32 London Bridge Street, London SE1 9SY quoting MCS/7060.

Price Waterhouse Associates

David Grove Associates
 Bank Personnel Recruitment
 60 Cheapside, London EC2V 6AX,
 Telephone: 01-248 1838.

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F.R.N. DEALER £ 5 figs. neg.
 Seeking responsibility.

PERSONNEL & ADMINISTRATION

ASSISTANT PERSONNEL OFFICER c. £10,000
 ADMINISTRATION CLERK (incl. premises) £ Neg.

LEGAL

QUALIFIED SOLICITOR (with City exp.) £ 5 figs. Neg.
 Please contact Norma Given or Joan Menzies on 01-248 1838

ACCOUNTANTS

TO £12,000 SE LONDON

Franklin Mint Limited is the U.K. division of a worldwide marketing organisation which is part of Warner Communications. We are diverse, highly successful but autonomous. We have high professional standards and a phenomenal work and growth rate.

Due to substantial growth, we wish to enlarge our accounting operation by the recruitment of two accountants, both of whom should be qualified with 12-18 months post qualification experience, preferably with a consumer related marketing and/or manufacturing company.

Both positions have well defined areas of responsibility, one being manufacturing related and covering project costing, inventory control etc. - the other, marketing related, covering marketing planning, product profitability and domestic and overseas consolidations etc.

In addition to the quoted remuneration, a comprehensive range of fringe benefits is offered, together with promotional prospects which reflect the general speed of the Company's growth and operation.

Please write, giving brief details of qualifications and experience to date, or telephone for an application form to:-

Peter Brown - Personnel Director
FRANKLIN MINT LIMITED
 138 Bromley Road, London SE6
 Tel: 01-697 8121

McANALLY MONTGOMERY & CO.

We are seeking to further reinforce our research and marketing teams and invite applications for the following positions

ELECTRONICS ANALYST AND INSTITUTIONAL EQUITY SALES EXECUTIVE

We anticipate that applicants will have already established themselves in the above areas and are now looking for further career progression. These are senior positions and offer good prospects to the successful applicants, together with competitive remuneration. Applications, which will be treated in the strictest confidence, to:

R. Leigh-Wood, Esq., McAnally, Montgomery & Company,
 Barber-Surgeons' Hall, Monkwell Square,
 Wood Street, London, EC2Y 5BL.

Financial Controller

required for a subsidiary of a major diversified publishing company.

Must be able to supervise management accounts, evaluate projects and advise on financial development of the business. Young ACA with ambitions to become Finance Director and experience in the field would be ideal. A university degree, or business qualification such as MBA, would be an added advantage.

Salary £17,000c plus Company car

Write Box A7754, Financial Times,
 10 Cannon Street, EC4P 4BY.

Antony Gibbs Pension Services Ltd.

Pension Consultants

We are looking for Pension Consultants to join our expanding Sales team throughout the U.K. Successful candidates will most likely be aged between 25 and 40 with proven experience in advising Companies on employee benefits. A competitive remuneration package will include a car and the usual fringe benefits.

Please send C.V. to the Managing Director, 11 Islington High Street, London N1 9LQ. Tel. 01-278 1594.

A member of the Hongkong Bank Group.

Laing & Cruickshank

BANK DEPARTMENT

An opportunity has arisen for an ambitious person, aged 22 to 28, to join the Bank Enquiries Team within the Private Client Department of Laing & Cruickshank.

The team handles the telephone and written investment enquiries from a considerable number of the High Street and Trust branches of the major banks throughout the country. The successful applicant will ideally have a minimum of two years' experience of providing investment services to private individuals and have passed, or currently be studying for, the Stock Exchange membership examinations.

If you wish to apply write to:

J. L. Rossiter,
 Laing & Cruickshank,
 The Stock Exchange, London EC2N 1HA.

Profit from Your Own Judgement

You are a recently qualified Chartered Accountant looking for your first move into industry or commerce. Rather than join a major multi-national, you are looking for a medium-sized company where you can make a significant contribution.

Our Client is a publicly-quoted property company, established in London for over 100 years. Due to reorganisation they are now seeking a qualified Accountant to strengthen the Management team.

Reporting to a Director, you will be responsible for the preparation of financial information, including monthly management accounts, budgets, cash flow forecasts, etc. You will also be involved in a considerable number of ad hoc projects.

Aged 24-29, you will have up to two years post-qualifying experience with a medium or large professional practice. Enthusiasm and the flexibility to work effectively in a fast moving environment are also pre-requisites. Salary will be c.£11,000+car and benefits, with excellent long term prospects for the right person.

To apply, write or telephone Barbara Lord at Cripps, Sears and Associates, Personnel Consultants, 88/89 High Holborn, WC1V 6LH (01-404 5701 - 24 hours).

Cripps, Sears

Investment Management

Foreign Equities

Our client is one of the major financial institutions in the UK. In Foreign Equities alone in-house and client funds under management exceed \$1 billion. Rapid growth of existing funds and a major new marketing venture bring the opportunity to join one of the most positive and successful international investment teams in the City. This opportunity will appeal to graduates or professionally trained people who welcome an intellectually stimulating environment. Men and women (probably in their mid to late twenties) who are currently involved in international investment.

London based

Reporting to a senior fund manager you will be responsible for funds in one or more foreign equity markets and will contribute to discussion on asset allocation strategy. You will travel to investigate personally developments in those markets and to develop the existing worldwide links with central banks, banks and investment advisers.

Write in confidence with full details, stipulating any company to which you do not wish your application to be forwarded, to:-

T. G. West, Managing Director, (Ref: 162A)

Whites

Whites Recruitment Limited, 72 Fleet Street, London EC4Y 1JS
Offices: Aberdeen, Bristol, London, Manchester and Warwick.

ST. HILDA'S COLLEGE OXFORD

The College proposes to elect, with effect from October 1st 1982 (or January 1st 1983) a woman as Official Fellow and Tutor in Economics. The College Statutes made under the Universities of Oxford and Cambridge Act 1923 provide that all Fellows must be women. The appointment is made in conjunction with a University Lectureship (CUF).

Further particulars can be obtained from the College Secretary, to whom applications, together with the names of three referees, should be sent by March 5th.

SALES MANAGER

International carpet carpet company seeks experienced Sales Manager for their London branch. He/she must have good knowledge and selling experience of oriental carpets. Good salary offered. Please send full details of experience which will be treated in strict confidence to:-

Box A7700, Financial Times, 10, Cannon Street, EC4P 4BY

Group financial analyst

North west, c£17,500 + car

For a major British group enjoying an international reputation for the quality of its consumer products.

Reporting to the Group Financial Director in a small corporate HQ you will play an influential role in acquisition and investment appraisal, profit planning and monitoring the performance of operating divisions.

You must by now be thoroughly experienced in investment appraisal and performance monitoring preferably in an international group. On your way up you will have spent a year or two at least at the operations level in a manufacturing unit. A persuasive accountant with an MBA ought to have an edge over the rest. Career opportunities are unusually good.

Resumes including a daytime telephone number to E.J. Robins, Executive Selection Division, Ref. R062.

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited management consultants

St. James's House Charlotte Street Manchester M1 4DZ

Merchant Banking Management Services

Our Client, a leading Merchant Bank, is currently developing on-line real time financial systems and is pioneering a number of new developments using advanced techniques. Current systems use FORTE/2 on two B2900 computers and CMS on two B800 mini-computers in a distributed processing network.

Senior Systems Analyst/Programmer

Project Team Leader package up to £18,000.

You should be aged 28+, preferably a graduate or equivalent, and have at least 8 years successful computing experience, including some in a Banking/Financial environment. Burroughs experience is preferred though not essential. Your key responsibility will be liaison with senior staff, within a user division of the Bank, to discuss their computing needs, design appropriate systems, and progress and implement assigned projects. This will be achieved through the effective control of a team of six or seven analyst/programmers. Maturity, self-motivation and strong leadership skills are essential. Ref: SS.

Systems Analyst/Programmer package up to £14,500

For this appointment you are likely to be aged 26+. Your profile, personal qualities and 5 years background will be similar to the above Project Leader, to whom you will report. Although you are likely to have programmers working with you, you must be able to write programs yourself and take responsibility for support and maintenance of live systems. Ref: S.

Programmers package up to £11,500

You will need to be at least 23, with at least 3 years successful programming experience, of which some must have been gained in a Banking/Financial environment. Burroughs experience is preferred though not essential. Work will be on enhancement and maintenance of existing systems, and you will be responsible for researching the tasks, writing and testing programs. Competence in most phases of applications programming are important as is the ability to work on your own initiative. Ref: P.

Our client also requires a Data Control Clerk up to £7,000. Ref: DC.

The salary packages indicated include base salary and mortgage subsidy. Other benefits include: interest free season ticket loan, personal loans at preferential rates, free medical scheme, non-contributory pensions and discretionary annual bonus.

Please, either send in confidence a detailed CV, quoting reference, which will be forwarded to our client, or telephone 01-588 3586.

Campbell-Johnston Recruitment Advertising Limited

35 New Broad Street, London EC2M 1NH.

Hoggett Bowers

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

Group Controller

Midlands Based, c.£20,000 + car

This important new appointment is a direct result of the exceptional growth in both turnover and profits of our client's service business. Backed by an equally successful international parent, the company is actively pursuing acquisitions and extending its services, thus increasing the pressure on the corporate finance function. The Group Controller, who will be directly responsible to the Senior Financial Executive, will provide an interface between group and divisional management; monitoring and interpreting divisional performance, participating in computer based systems development, and integrating acquisitions into the group. Candidates, aged 30-35, must be graduates with a major accounting qualification, have a first class training in a prestigious professional or industrial organisation, and at least 5 years' line management experience as a Controller, probably in a service company. The exceptional rewards and rigid specifications are an indication of the demands of the role and the calibre of candidate required.

R.D. Howgate, Ref: 27223/FT. Male or female candidates should telephone in confidence for a Personal History Form 061-236 8981, Sun Life House, 3 Charlotte Street, MANCHESTER, M1 4HB.

Finance Director

£18,000+

Midlands

A Finance Director is sought for the UK Distribution Division of a major international engineering group. The Division contains a number of subsidiary companies which supply products to a variety of industries with centralised warehouses and over 180 branches in the UK and overseas.

The man or woman appointed will have occupied the top financial role in a manufacturing organisation, since it is envisaged that former experience combined with the experience to be gained in this appointment, will lead to progression to a more senior financial, or to a general

management position within the Group. A recognised accountancy qualification is required and the preferred age is about the mid-thirties.

Salary is open to negotiation but, as a pointer, it is expected that suitable candidates at the lower end of the age spectrum will already be earning not less than £18,000 per annum.

Please apply in writing to Confidential Reply Service, Ref ABF 636, Austin Knight Limited, Tricorn House, 51-53 Hagley Road, Edgbaston, Birmingham B16 8TP.

Applications are forwarded to the Client concerned, therefore Companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.



Austin Knight Advertising

CHIEF ACCOUNTANT

Essex to £12,000

An old established City firm of ship agents and ship brokers, the subsidiary of a substantial group with interests in shipping and insurance, requires a chief accountant to supervise the accounts office which will be based at West Thurrock. The duties include the maintenance of statutory and management accounting records using computerised systems with integrated purchase, sales, nominal and voyage ledgers, and assisting in the development, guidance and control of administrative systems.

The successful applicant may be a recently qualified chartered accountant or, alternatively an older and possibly unqualified person offering particularly relevant experience in agency accounting, the control of credit and the development of systems.

The salary is negotiable to £12,000 p.a. plus contributory pension scheme and BUPA membership.

Applicants, male or female, should write in confidence with details of previous experience and current salary, quoting reference C 1424 to J. W. Hills.

Annan Impey Morrish, Management Consultants, 40/43 Chancery Lane, London WC2A 1JF.



Investment Management

- Equities

An Insurance company is seeking an Assistant to the Investment Manager to join a small team managing a growing equity fund which currently stands at £20 million.

Preferably in your 30s, you should have analytical and fund management skills which have probably been developed with a similar institution or stock brokers.

The negotiable salary is supported by a range of benefits including subsidised mortgage facilities and private medical care.

Please send full career details to the Personnel Manager, 42 Southwark Bridge Road, London SE1 9HE.

INTERNATIONAL BANKING TRADE FINANCE-MANAGER

Expanding international bank based in London is seeking an ambitious manager to join its successful trade finance group.

A challenging opportunity which will demand drive, enthusiasm and an entrepreneurial flair. Aged 25-35, the successful candidate should have at least five years' experience in trade financing, syndicated lending and foreign exchange dealing. Main responsibilities are business development in trade financing for our global network of clients.

Fluency in French and a working knowledge of Spanish or Italian would be a major advantage.

All enquiries will be accorded strictest confidence.

Please reply to Box A7753, Financial Times, 10 Cannon St, EC4P 4BY enclosing a complete curriculum vitae.

FOREIGN EXCHANGE DEALER

An ideal opportunity for a minimum two/three years' experienced Foreign Exchange Dealer to join the fast growing and active dealing room of a global banking operation.

Must be experienced in both spot and forward with deposit knowledge. Also French language ability would be advantageous. Self motivation and enthusiasm essential. Usual banking benefits available.

Please send full curriculum vitae to Box A.7757 Financial Times, 10, Cannon Street, EC4P 4BY

All applications will be treated in the strictest confidence.

Young ACA International Bank

City To £13,000+ Excellent Bank Benefits

One of the most rapidly expanding and dynamic international banks in London is seeking to recruit a recently qualified ACA to augment their existing audit and internal consultancy team.

The role will be to review the bank's systems, controls and activities in general, with an emphasis on foreign trading, money market positions, credit lines and systems development.

Ideally aged 25 to 30 with the desire to progress to senior management, you will have had experience of bank audits gained within one of the leading professional firms.

The benefits package offered is excellent and includes heavily subsidised mortgage facilities and low cost personal loans.

To apply please telephone or write to M. J. R. Chapman quoting ref: 5732.

Lloyd Chapman Associates

123, New Bond Street, London W1Y 0HR. 01-499 7761

International Auditor

(European locations)

London based

c.£12,000

The Group manufactures, sells and distributes throughout the world ophthalmic products and sophisticated scientific instruments. It employs over eleven thousand people, has a turnover in excess of 700 million dollars and is quoted on the New York stock exchange.

The audit division has achieved recognition as a major source of help to the management of local subsidiaries, and is seeking to add to its European team a young accountant who will report to a Senior Manager based in London. The successful candidate will divide his/her time equally between London and Europe and between financial and operational audits. Visits will be paid to North America for training purposes. Success in the role is expected to lead to line management.

Familiarity with current accounting and auditing techniques and principles is essential; experience with computer systems and audits is required. An ability to communicate in more than one European language would be an asset. Candidates are expected to be graduates, hold a recognised accountancy qualification and have some post-qualifying experience.

Salary negotiable - around £12,000 with significant fringe benefits.

For further details and an application form please write in confidence to David Prosser, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY mentioning MCS/3917.



Credit Manager Export Finance

Our client is a London-based member company of an international Group which is involved in finance, trading, production and construction. It provides export finance and confirming facilities in support of Group and third party trading activities in Europe and Africa. A substantial expansion of its activities is foreseen during the current year.

The credit manager will report to the Finance Director and will be supported by a staff of two. His/her specific responsibilities will include the creation and maintenance of credit control procedures, the verification of credit proposals submitted by business development officers, the co-ordination of collection efforts on past due accounts and

the preparation and monitoring of claims filed under export credit insurance policies.

We would like to hear from candidates with at least 5 years' credit management experience, preferably with a medium sized company engaged in export finance, export trading or international banking. A working knowledge of various export credit insurance policies including heavy exposure to ECGD is essential.

An attractive salary and full complement of fringe benefits will be negotiated with the successful candidate.

Please send full details to Confidential Reply Service, Ref. ASC 8347, Austin Knight Limited, London W1A 1DS.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.



Austin Knight Advertising

Executive Appointments

The specialist service for senior executives seeking new appointments. Our success-related fee structure is unique.

Contact us for a confidential meeting. Comraught

73 Grosvenor Street, LONDON W1 - 01-499 8294

APPOINTMENTS ADVERTISING

APPEARS EVERY THURSDAY Rate £25.00 Per Single Column Continues



Chief Accountant City

Central Trustee Savings Bank Limited is the Central Banker for the Trustee Savings Banks Group. The Bank provides comprehensive banking, clearing and investment services for sixteen constituent Regional Banks and the subsidiary companies of the Group.

As a result of promotion, we now seek a Chief Accountant to take overall responsibility for the co-ordination of the activities of the Finance Departments of the Bank and ensure that the accounting policies and procedures are carried out to the highest standards.

The successful candidate must be able to demonstrate a creative and analytical ability plus the necessary managerial experience required to fill this key role within the Bank's management team. The Financial Accountant and Management Accountant are responsible to the Chief Accountant and both the functions are supported by well qualified staff.

Applicants must be professionally qualified and have had previous banking experience with a systems bias. Knowledge of foreign exchange is essential. It is unlikely that anyone under the age of thirty-five will have the necessary experience for this position.

A competitive salary will be paid and other benefits include a car, house mortgage subsidy scheme and a non-contributory Pension Scheme.

Applications should be addressed in writing to:
Departmental Head - Personnel and Training,
CENTRAL TRUSTEE SAVINGS BANK LIMITED,
PO Box 99, St. Mary's Court, 100 Lower Thames Street,
London EC3R 6AQ

Selling to the City

c.£19,000 + Car

Reuters has openings for professionals with direct and active experience of City markets. We supply a wide range of specialised Banking, Broking, Commodities and Shipping Services. With the continued expansion of these services we now have immediate vacancies for successful people who feel their expertise is not fully utilised.

The ideal candidates should be 23-35 and can expect annual earnings in the region of £19,000, with the possibility of earning more

for outstanding sales performance. A car is also provided and there are opportunities for promotion both in the UK and abroad.

For an application form, write or telephone-

Recruitment Manager,
REUTERS,
85 Fleet Street, London EC4P 4AF.
Telephone: 01-353 7529
(This is a 24 hour answering service)

These positions are open to men and women.

Financial Controller

From a manufacturing background
£15,000 + car

Our client, a Sussex based manufacturing company competing successfully in world markets, is looking for an innovative management accountant with the ability to instigate and implement change.

Your brief will be to set up and run the appropriate decentralised management accounting and financial control systems, to provide an advisory service to line management, and to participate directly with the Financial Director in the overall financial planning of company operations.

Probably in your early thirties, and with an ACMA qualification, you should have

had considerable experience in a continuous process/batch production environment and ideally also commercial product review exposure.

There is considerable scope for further career development; the salary is negotiable up to £15,000 pa. and the benefits, which include a company car, are those expected of a company that is part of a major UK group.

Please write with full career details to Confidential Reply Service, Ref. AMF 8350, Austin Knight Limited, London W1A 1DS.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

Austin
Knight
Advertising



APPOINTMENTS

ADVERTISING
APPEARS EVERY THURSDAY
Rate £29.00
Per Single Column Centimetre

Corporate Finance

A leading Accepting House with an outstanding list of clients is looking for a number of individuals at varying levels of seniority for its busy and expanding Corporate Finance Department.

Candidates may hold a professional qualification and be aged between 26 and 32. At the top end of this range they would be expected to function as the senior member of a team. An additional European language would be an advantage, but above all we are looking for spirit, self-confidence and an ability to work to a very high standard.

For the right people, the financial package will be very attractive and prospects for promotion excellent.

Please contact Edward Dawmay
on 01-588 5196

Philippa Rose & Partners Limited

18 Eldon Street
London EC2M 7LA

Telephone:
01-588 5196



Senior Consultant to manage a unique venture

MSL Chartered Secretary is a formal partnership between MSL and the Institute of Chartered Secretaries and Administrators. The practice provides an authoritative recruitment and selection consultancy service in the company secretarial and administrative management sector. Assisted by one other consultant, the successful candidate will provide effective team leadership, extend the recruitment practice, and, in association with our partners, develop other relevant consultancy services.

A degree is desirable - and a C.I.S. or accountancy qualification would be valued. Preference will be given to recruitment professionals in their thirties although we would consider candidates with successful company secretarial experience who wish to apply their professional skills in a recruitment context.

Please send full details - in confidence - quoting ref. B.17343 to Colin Bexon, Management Selection Limited, 52 Grosvenor Gardens, London SW1W 0AW.

This appointment is open to men and women.

MSL
CHARTERED SECRETARY

Credit Officer

Toronto-Dominion Bank is one of the longer established overseas international banks in the City, with strong U.K. and worldwide representation.

As part of our continuing expansion programme in London, we wish to recruit a further Credit Officer to join our existing Credit Department.

Applicants should have clearing or international bank experience, and be familiar with balance sheet analysis of both banks and corporate borrowers. The post offers considerable scope for career development in the areas of credit analysis and marketing.

The bank is offering a fully competitive salary and benefits package.

Please write, including full details of career to date to:-

Miss Angela Purton, Human Resources Officer,
The Toronto-Dominion Bank, St. Helen's, 1 Undershaft,
London, EC3A 8HU.



THE TORONTO-DOMINION BANK

Assistant Accountant

Corporate Administration
Central London c.£12,500 + mortgage subsidy

Our client provides corporate services to a number of publicly quoted investment trusts and other companies whose varied interests include oil exploration and production, agricultural and commercial property investment and other financial activities.

A qualified accountant aged c.28/32 is required to assist the Chief Accountant with all aspects of corporate administration including the accounting, taxation and secretarial functions.

This challenging position gives an opportunity to gain wide experience of City operations and international investment.

The prospects are excellent and remuneration package outstanding - with a non-contributory pension scheme and mortgage subsidy, it is worth over £15,000.

Contact David Tod, BSc, FCA, on 01-405 3499
quoting reference DT/533/CAF.

Lloyd Management
Recruitment Consultants

125 High Holborn London WC1V 6QA

01-405 3499

AMBITIOUS ACA?

Berkshire To £11,500 + CAR

Would you like to work for a major American multi-national and carve out a career in commerce?

If you are 24-28, a graduate with a good professional background and an ACA or equivalent qualification, then you should make the short list.

You will be based in one of the more pleasant locations in the Thames Valley and will work together with a lively team of young professionals, travelling extensively throughout Europe, the Far East and Australasia.

Only those whose talent matches their aspirations should apply, to:-
George D. Maxwell.

Hudson Shribman International

College Hill Chambers, 23 College Hill, EC4 01-248 7851

Life Assurance

Marketing Manager

c.£15,000 London 27 to 35

plus car, assisted mortgage and other fringe benefits

An exciting opportunity arises in an old-established, well-known mutual life office for the appointment of a Marketing Manager to play an important role in a major expansion programme. The responsibilities will cover all aspects of marketing strategy, including product development, public relations, advertising, design of literature and related activities. Applicants should ideally be graduates and

must demonstrate a progressive record of achievement, including at least five years' successful experience in marketing financial services. A period in an advertising agency would also be valuable. The qualities particularly looked for are initiative, a lively mind and imagination; the capacity to produce new ideas and put them into practice; and also sound administrative ability.

For further information please ring C.P. Barker TODAY between 10 a.m. to 6 p.m. at Bishop's Stortford (0279) 53921 or 54462. Or write to him at

DSA FINANCIAL RECRUITMENT LTD
35 Potter Street, Bishop's Stortford, Hertfordshire, CM23 3UL.

AUDIT SENIOR

c. £12,000 plus car

We are a well-known multinational with annual worldwide sales in excess of £3 billion from products in automotive, aerospace, electronics and general industries. The European audit office has recently been established in the Greater London area.

You are a career-minded CA who looks forward to travel extensively in the UK and Continental Europe. Your functions on the audit team will render you highly visible and should lead to excellent prospects of rapid career progress in the financial management of our divisions.

Knowledge of French is required and knowledge of other European languages could be a deciding factor.

The successful candidate will be aged around 30 and will have had at least two years of post-qualification professional or industrial experience.

Applications will be treated in strict confidence directly by the Audit Manager. Please send your resume, setting out details to:-

Box A7761, Financial Times
10, Cannon Street, EC4P 4BY

THE LANDOIL RESOURCES CORPORATION OF MANILA FINANCIAL EXECUTIVE

£12-15,000

This multinational Group which has extensive interests in Oil, Construction, Agribusiness, and Trading is seeking an outstanding young executive to join the London Office. The successful candidate will be responsible to the Group Treasurer for the following:

- ★ Maintaining Group Banking relationships in the U.K. and Europe.
- ★ Organising and supervising money transfers.
- ★ Analysing potential acquisitions.

QUALIFICATIONS

- ★ International banking experience including knowledge of all the technical details of Documentary Credits and Loan Syndications.
- ★ Age 25-30 years old.
- ★ European languages an asset.

A competitive salary and fringe benefits are being offered.

Please reply with detailed c.v. to

R. McKechnie,
CORPORATE ANALYSIS LTD.,
2nd Floor, 83 Victoria Street, London, SW1.

TAX ACCOUNTANT

LOCATION CENTRAL LONDON

Tenneco Inc. is a diversified energy company. It has over twenty-five subsidiaries with operating interests in the United Kingdom, most of which form a corporation tax group.

This is a new position established to take over the primary responsibility for tax compliance and planning from the outside advisers. The position offers excellent prospects for the right applicant.

We are looking for a qualified accountant (ACA or ACCA) with at least two years' tax experience. The salary is negotiable and benefits include a company car, non-contributory pension and free medical insurance.

Please reply initially in writing for an application form to:

The Directors,
TAX AND FINANCIAL PLANNING LTD.,
Barratt House,
7 Chertsey Road,
Woking,
Surrey, GU21 5AB.

"NEWLY QUALIFIED ACCOUNTANCY APPOINTMENTS"

THURSDAY 4th MARCH 1982

The Financial Times has arranged with the Institute of Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examinations.

We propose to publish the list in our issue of Thursday, 4th March, 1982, which will also contain several pages of advertisements under the heading of "Newly Qualified Accountancy Appointments."

Advertising rates will be £20 per single column centimetre. Special positions are available by arrangement at premium rate of £35 per s.c.c. Copy date is Friday, 26th February. For further details please telephone 01-248 4782 or 4864 (direct lines).

Newly Qualified Accountants, especially Chartered, are never easy to recruit - don't miss this opportunity!

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

10, CANNON STREET, LONDON EC4P 4BY

Fulfil your Potential in a UK Marketing/Lending Team

Our client is a successful medium-sized American bank with a forward-thinking and innovative approach. It now wishes to strengthen the UK Corporate Marketing Section of the London-based Europe, Middle East and Africa operations.

As part of a small professional team the Lending Officer will be responsible for developing and managing UK corporate relationships for UK and US Multinationals, based in London. This will involve selling the complete range of traditional and non-traditional banking services for current and new customers, formulating appropriate financial packages and assuming responsibility for credit recommendations.

Candidates, aged 25-30, will have at least two years lending experience with a major bank, and will thus have developed essential credit skills and a good understanding of marketing a range of bank services. Personal qualities should include the ability to work independently in an unstructured environment, and deal successfully with senior levels of management.

Salary will be dependent on experience in the range of £12,000-£17,000 plus benefits. To apply in the first instance, ring or write to Barbara Lord at Cripps, Sears and Associates (Personnel Consultants), 88/89 High Holborn, London, WC1V 6HH. Tel: 01-404 5701 (24 hours).

This position is open to both men and women

Cripps, Sears

Commercial Lawyer

We seek a solicitor or barrister aged around 35 with at least 10 years' post-qualification experience to be head of the Commercial Section of our Legal Department. Candidates should have a good academic record, versatility and the ability to work effectively in a complex organisation. Substantial experience of commercial work gained in private practice or industry is essential. Knowledge of EEC law and of the pharmaceutical industry would be an advantage.

The Commercial Section of our Legal Department is based at our Head Office in Nottingham and comprises four qualified lawyers. They handle a wide variety of matters including trading contracts, patent licences, company law, EEC

law and company secretarial work. They have close contact with the departments responsible for research, manufacture and marketing of pharmaceuticals and consumer products. We operate throughout the world both in retailing and in the manufacture and marketing of pharmaceutical and consumer products. Occasional overseas travel is required.

An attractive salary will be negotiated. Benefits include profit sharing bonus scheme and contributory pension scheme. Assistance with relocation is available if necessary. Please send details of qualifications and experience to: J. L. Muncey, Recruitment and Development Manager.



The Boots Company Limited,
Head Office, Nottingham NG2 3AA.

ENGLISH & AMERICAN INSURANCE COMPANY LIMITED

Assistant to the Company Secretary

English & American Insurance Company Limited, a subsidiary of C. T. Bowring & Co. Limited and a member of the Marsh & McLennan Group of Companies, is a long established insurance company engaged in insurance and reinsurance business in its own right and also as manager and underwriting agent for the UK subsidiaries of leading overseas insurance groups.

A vacancy exists for the position of Assistant to the Company Secretary. Duties will cover a wide range of statutory and commercial legal matters and will be accompanied by responsibilities for the secretarial administration of both the Company and insurance companies managed by the Company. The position will demand close working relationships with senior management of both the Company and the other companies for which it acts.

Applications are invited from law graduates, Chartered Secretaries or persons with legal qualifications. Applicants should be in their mid-twenties with experience of company secretarial duties. The salary will be in the region of £10,000 depending upon experience. Please apply in writing giving details of education, qualifications and previous experience to: The Secretary English & American Insurance Company Limited, Tower House, 38 Trinity Square, London EC3N 4HR.

A MEMBER OF THE BOWRING GROUP AND MARSH & MCLENNAN COMPANIES INC.

Sup. Marketing Officer £ neg.
International Bank, developing business in Africa, France and UK seeks banker, fluent in French, with knowledge of credit and previous marketing experience in Africa.

Credit Analysts £9-12,000
Two North American banks require ambitious bankers (25-32) with at least 2 years' experience in spreading commercial balance sheets, writing reports, etc for interesting assignments with route to marketing.

Loans Administrator to £9,000
Experienced Clerk (to 35) sought by established European Bank to handle loan agreements and various aspects of loans administration. Excellent fringe benefits.

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Bank Recruitment Consultants
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LOANS SYNDICATION £14,000
A syndication specialist aged early 30s is required by a major international bank. Candidates must have proven experience in syndications and have a wide knowledge of international capital markets, country risk analysis, documentation and negotiation with clients.

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A qualified accountant aged late 20s with a minimum of two years' bank audit experience is required by a prestigious bank. Applicants ideally will have 20 audit experience and be able to speak a European language, as travel to Europe will be necessary.

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An international bank requires an FRN dealer with at least two years' experience and a thorough knowledge of the FRN market. Very good prospects for the right person.

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An international bank requires a qualified accountant aged early 30s. Candidates must have a sound knowledge of accounting systems in a banking environment, management accounts and be able to undertake all tax projects.

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A major bank seeks UK international credit analyst, experienced in spreading of all types of financial statements and preparing financial and project reports. At least two years' experience in credit analysis required and a working knowledge of Spanish/Portuguese useful.

LJC Banking Appointments Ltd.
170 BISHOPSGATE, LONDON EC2M 4LX
01-283 9953

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A large practice of Surveyors and Estate Agents in the South East of England employing more than 100 people in six offices, continuing to expand, seek Partnership Secretary. The successful candidate, who may well be a FCA or FCIS, must have ability of dealing with staff, internal and clients accounting, and all administration aspects.

Some experience in similar position in professional practice would be asset.
Apply: F. A. R. BESSANT,
6 Pavilion Buildings, Brighton BN1 1EE, Sussex.
0273 21561

MANAGEMENT ACCOUNTANT

International Shipping and Trading Company require Management Accountant willing take responsibility. Qualification desired ACMA/ACA/ACCA, graduate, prefer MBA with experience in banking, industry or commerce. Age 29-35 years. Knowledge of management, financial analysis and currencies is required.

Salary circa \$15,000 negotiable
Please reply to Box A7755, Financial Times
10 Cannon Street, EC4P 4DF

ALPS

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Key appointment with scope to advance to company board appointment in 2-4 years.



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CITY

£12,000 - £17,000

DEVELOPING FUND MANAGEMENT SERVICES COMPANY, SUBSIDIARY OF LEADING INTERNATIONAL FINANCE GROUP

For this new position we invite applications from accountants (C.A., A.C.A., A.C.C.A.), aged 26-33, who must have at least 2 years' successful and demanding post-qualification experience which will have been gained in any fast-moving banking, investment or financial institution using modern audit and computerised accounting techniques. The prime responsibility of the selected candidate, who will report to the board, will be to become thoroughly familiar with the fund and cash management business; review existing controls and operations; set-up and run a new control system; prepare regular management information reports and assist with the development of new fund management areas. Essential personal qualities should include an innovative and flexible attitude, plus the ability to deal successfully with a strong entrepreneurial management. A sense of humour would be an advantage. Initial salary negotiable in the range £12,000-£17,000, non-contributory pension, free life assurance, permanent health scheme, family BSIPA, assistance with removal expenses if necessary. Applications in strict confidence, under reference FC-040/F1, to the Managing Director:

ACCOUNTANCY AND LEGAL PROFESSIONS SELECTION LIMITED,
35 NEW BROAD STREET, LONDON EC2M 1NH. TEL: 01-588 3576 or 01-588 3574. TELEX: 887374.

Top Flight Sales Manager

Are you someone who has sold insurance or mutual funds very successfully and who has moved on to manage a team? If so, and you can move in an international atmosphere, you may be the person we're looking for.

You will co-ordinate our sales from Brussels and recruit as necessary to develop our operation across Europe and to the Middle East.

Your remuneration will match your performance.

Please send complete Curriculum Vitae to:

Bernard Putz,
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Avenue Lloyd George,
6-BTE 5
1050 Brussels
BELGIUM



INTERNATIONAL CORPORATE FINANCE

CIBC Limited, the wholly-owned merchant banking unit of Canadian Imperial Bank of Commerce, is seeking to recruit a Solicitor to join its Corporate Finance Department, which forms part of the international capital markets team based in the City.

Candidates, aged 24-30; should have had involvement in international banking or securities transactions with a City law firm or financial institution and should be able to demonstrate a sound knowledge of related documentation.

We offer a competitive salary and benefits package.

Please write in confidence to:

Mr J. B. Clark
Deputy Managing Director
CIBC Limited
55 Bishopsgate
London, EC2N 3NN

Corporate Finance

£12500-£18000+Benefits

Many of the city's leading Accepting Houses and Corporate Bankers recruit their executives through us. We are therefore in a strong position to advise candidates of their marketability and help those wanting to embark on a banking career. Typically we would like to hear from:

- 1) Young graduate chartered accountants with substantial post-qualifying investigations, corporate tax or insolvency experience.
- 2) Young solicitors with corporate advisory experience.

We can be of positive help to you in your assessment of your own career and introduce you to those banks whose requirements will be in step with your ambitions.

Interested candidates should contact Robert Digby B.A. with details of their careers to date.

David Clark Associates
4 New Bridge Street, London EC4
Telephone: 01-353 1867
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£10K NEG.

A dynamic, young, London-based company, expanding rapidly through its wine by the case wholesale cash end carry operation, needs a Financial Executive, with Board potential, to be responsible for all aspects of the company's day-to-day financial management and recording. The successful candidate will report to the Board.

- QUALIFICATIONS:
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 - * 25-40 YEARS OLD
 - * AUTHORITATIVE PERSONALITY

Please reply with detailed cv. and salary level to:
E. McKechnie,
CORPORATE ANALYSTS LTD,
83 Victoria Street,
London S.W.1.

The Investment Specialists' Consultancy

International Manager

Age 24-30, fluent in English and French, with 2-3 years' experience in international banking or securities transactions with a City law firm or financial institution and should be able to demonstrate a sound knowledge of related documentation.

Institutional Sales

Age 24-30, fluent in English and French, with 2-3 years' experience in institutional sales with a City law firm or financial institution and should be able to demonstrate a sound knowledge of related documentation.

Abie Analyst

Age 24-30, fluent in English and French, with 2-3 years' experience in abie analysis with a City law firm or financial institution and should be able to demonstrate a sound knowledge of related documentation.

Corporate Finance

Age 24-30, fluent in English and French, with 2-3 years' experience in corporate finance with a City law firm or financial institution and should be able to demonstrate a sound knowledge of related documentation.

Stephens Associates

International Recruitment
44 Carter Lane, EC4V 3BK
Telephone: 01-256 7507

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Bank Recruitment Consultants
Supervisor N.T./T.T. £12,500
Supervisor P.K./Adm. £12,500
(25-30) £12,500
Credit Analysts £12,500
A/B's grades 2, 3 & 4 £9,500
FX Dealer (20-25) £9,500
Senior Accounts Clerk £9,500
with good computer £9,500
with professional (25-32) £9,500
Experienced Money Brokers £9,500
Phone:
Mike Pope or David Patten
1/2 Grosvenor Street, EC2
01-526 6191

LOANS OFFICER/CREDIT ANALYST

£10,000

European bank requires a Loans Officer in mid-career with minimum 3 years' formal credit training preferably within a U.S. bank. Also experience in business development, project finance and natural resource lending would be a definite advantage. Expect promotion within 2 years.

Phone Michael Katz on 01-429 7838
BARNETT BANKING RECRUITMENT
1 Albemarle Street, W.1
(A division of Barnett Personnel)

MERCHANT BANKING EXECUTIVE

Manchester based licensed deposit taking institution is seeking outstanding corporate business individual. Successful applicant must be commercially minded and have a minimum of 5 years' experience in merchant banking. The first class remuneration package will include bonus on profit and share participation scheme. It is envisaged that the person appointed will be offered a directorship within 18 months.

Written application confirming full career details will be treated in confidence and should be forwarded to:

Box A7748, Financial Times, 10 Cannon Street, EC4P 4DF.

A leading firm in the London Equity and Gilt-Edge Markets wishes to recruit the following staff:

An Experienced Gilt-Edge Sales Executive

A Senior Economist with three to five years' experience

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Remuneration will be negotiable but will be attractive.
Write Box A7748, Financial Times, 10 Cannon Street, EC4P 4DF.

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EXPORT DOCUMENTATION/BANKING EXECUTIVE OF LARGE PROGRESSIVE U.K. MULTINATIONAL

retiring shortly, wishes to put considerable practical and cash-flow conscious experience in all aspects of this specialised field as the disposal of non-competing organisations, of any size, on consultancy/retainer or other suitable basis of remuneration.

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are looking for an experienced Bullion Sales Executive to market their gold bullion activities in Europe. The position will involve considerable liaison between Hong Kong and Europe, and will require strong marketing skills. An excellent compensation package is envisaged for the right applicant.

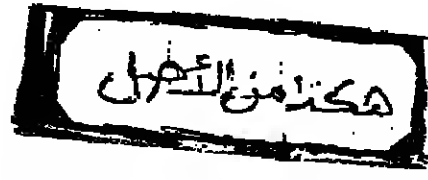
Please reply in the first instance to:-
Executive Director,
Sun Hung Kai Securities (UK) Ltd,
13 Sherborne Lane,
London EC4N 7SL

DIRECTORS AND EXECUTIVES (£20,000+)

Who'll need personal advice about their jobs and careers consult

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International Appointments

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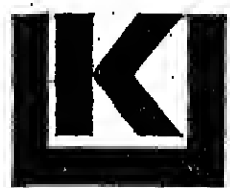
Nigeria: a sound basis for the sale of building machinery, machine-tools and plant equipment

We are a long-established and well-known trading and manufacturing company with a history of successful activities in Africa over the last 30 years. As part of our long-term planning for the future well-being of our company we are looking for a

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who will be responsible for the strategy, reorganisation, management and control of our business. The position is concerned with the accounting function and calls for the introduction of new procedures for invoice control, billing and debt collection. While offering a high degree of independence considerable support will be forthcoming from Management Headquarters in West Germany.

In order to cope successfully the candidate will need to possess a strong personality and demonstrable experience of English bookkeeping, financial control and accounting systems. He should also be familiar with local conditions and circumstances in Nigeria. Remuneration and contract conditions will reflect the importance of this job and are to be considered as highly attractive. To make initial contact please call Mr. Groth in Hamburg/Germany at 040/230642 who will guarantee absolute discretion. Written application covering full career history, references, current photograph, availability and salary expectations should be forwarded to Amsinckstrasse 54, D-2000 Hamburg 1.



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Gummersbach, Düsseldorf, Berlin, Bonn, Hamburg, Karlsruhe, München, Barcelona, Wien, Zürich, Buenos Aires, Mexico City, São Paulo, San Francisco, New York

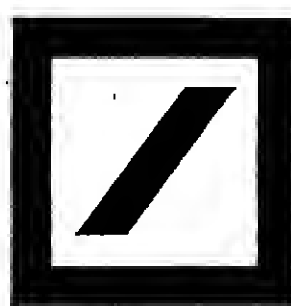
North Africa Accountant - c.£14,000 tax paid

A substantial Swedish company undertaking further construction project work, seeks an extrovert, qualified accountant for Benghazi.

Your role will cover both accounting and general administration including travel arrangements. Aged around 30-45 with a recognised accounting qualification you have a good record in payroll, plant registers, office administration and general accounting. Computer systems experience advantageous. You may have worked already in a developing country and know you enjoy a mixed nationality situation. Working language English. A bachelor status post with free, furnished accommodation and messing plus transport. One year contract renewable. Leave every 3 months.

Please send in confidence details of qualifications and experience under ref. 1588/JB/FT to:

Robert Lee
International
Manpower Consultants Limited
24 BERKELEY SQUARE, LONDON W1X 6AR



Banker

International Finance

We are looking for an experienced banker to take up a position of responsibility in our international business.

Working largely independently, the successful applicant will assist an international clientele on all questions of financing, including new issues, share placements, stock exchange listings and related matters.

Candidates will offer an academic qualification in law or business administration, have several years' practical banking experience in lending or securities business, and, where possible, also have sound knowledge of financial and securities analysis. A command of English and French is essential.

This is a responsible post which offers good scope for advancement.

Applications, accompanied by a curriculum vitae in table form and copies of your academic certificates and stating your salary expectations and earliest date of entry, should be sent to Deutsche Bank AG, Zentrale/Personal-Abteilung, Junghofstr. 5-11, 6000 Frankfurt, am Main 1, Federal Republic of Germany.

Deutsche Bank

Controller

Fast developing port in U.A.E.

£16,000 Tax Free and extensive benefits

Our client is a successful U.K. Port Authority which is contracted to manage this new port and its ancillary activities. Located on the Indian Ocean coast of the U.A.E., the port is ideally situated as the port of entry for the Arabian Gulf and our client is confident of developing it into one of the major ports in the whole Gulf area.

A highly able and commercial Financial Controller, aged over 30, is now required to head up the accounts function and provide top level financial advice and support. Responsible to the General Manager, your duties will include setting up and managing the accounting and management control systems, developing EDP usage and exercising tight cash flow management.

The position calls for a broadly experienced ACA, ACCA or ACMA with at least 2 years in industry and ideally some experience in a developing country.

The 2 years contract, which is renewable, includes furnished family housing, car, medical and educational benefits, and 6 weeks leave per year.

Reasonable cost of living, excellent leisure facilities and pleasant surroundings make this opportunity particularly attractive.

Please send concise personal, career and salary details, or apply for an application form, quoting ref F3206 to W.S. Gilliland.

Thornton Baker Associates Limited, Fairfax House, Fulwood Place, London WC1V 6DW. Telephone: 01-405 8422

Internal Auditor

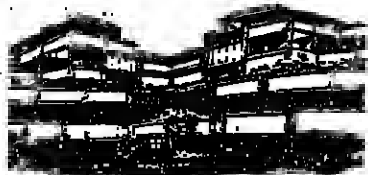
Europe £11,500

Wiggins Teape, part of the BAT Group, is a worldwide manufacturer and distributor of fine and specialty papers including Iden and Conqueror.

We have a vacancy for a Chartered Accountant, who has been trained in a large practice, in our Internal Audit Department to carry out audits in Europe and occasionally in the UK and other parts of the world. Although the post is based in Basingstoke, much of the Auditor's time will be spent in Europe and fluent French is required.

The post is regarded as an entry into industry and early promotion is foreseen. The work is varied and extends to the implementation of procedures as well as systems and operational audits. The organisation has a large computer configuration and knowledge of computer based auditing is necessary. Technical support in this area will be provided.

For more details please contact Ian Kelth at Wiggins Teape.



Wiggins Teape (UK) PLC,
P.O. Box 88, Gateway House,
Basingstoke, Hampshire RG21 2EE.
Tel: Basingstoke (0256) 20262 Ext. 3100.

JAMES FINLAY P.L.C.

seek a
Chief Executive

for their finance house subsidiary in Australia

Remuneration terms will be tailored to the individual selected, who should preferably have a financial or banking background and be between the ages of 25 and 50.

Preference will be given to someone who wishes to spend the rest of his working life in Australia and who has the qualities of leadership needed to bring out the best in the existing executive team.

Applications should please be addressed to:

The Chairman,
JAMES FINLAY P.L.C.,
Finlay House, 10/14 West Nile Street, Glasgow, G1 2PP.

OVERSEAS DEVELOPMENT

KNOW-HOW-vital to developing countries

Financial Controller

Duties include: Financial planning, accounting and cost control of two special funds; preparation of annual estimates of expenditure and revenue; examination and review of vehicles and plant hire charge rates; preparation of accounts; control and overall training of accounting staff.

Applicants should be aged between 40-45 years; Associates of the Institute of Cost and Works Accountants or similar qualifications, and have extensive financial accounting and costing experience in a vehicle or plant hire organisation. Posting Maseru. Appointment 2 years. (Ref: RC 284/97/010).

Accountant Adviser/Trainer

To review the present training arrangements; to prepare and implement training programmes for members of all Government Ministries and statutory bodies with a view to improving the standard and supply of accounting personnel at all levels.

Applicants should be under 40 years and have a recognised accountancy qualification. Posting Tarawa for approximately 2 years. (Ref: RC 528/96/01D).

Financial Controller/Accountant Banana Growers Association

Duties include: Development, direction and control of the accounting and financial management functions of the association; monitoring the Input Revolving Funds already established and enhanced procedures for input stock control and ordering to ensure a constant supply to the growers, training of accounting staff.

Applicants should have a recognised professional qualification in Accounting with at least 5 years' experience, preferably with an agricultural marketing or producer organisation at a senior level. Posting Castries. Appointment 2 years in the first instance. (Ref: RC 527/146/01D).

Financial Controller/Accountant Banana Growers Association

Duties include: Advising the General Manager on accounting systems and procedures to keep management informed at all times; monitoring the performance of the Input Revolving Funds already established; assisting the Windward Island BGA negotiations with Geest.

Applicants should be qualified accountants with at least five years' experience, preferably in procurement of inputs and produce sales. Posting Roseau. Appointment 2 years. (Ref: RC 527/49/01D).



Recruitment Executive,
OVERSEAS DEVELOPMENT ADMINISTRATION,
Room 351, Abercrombie House,
Eggleston Road, East Kilbride,
Glasgow G75 8EA.

HELPING NATIONS HELP THEMSELVES

Lesotho

Accountant

Imatong Mountains Forestry Project

Required to take over the operation of an accounting and costing system, train local accounting staff and assist with general administration and personnel matters.

Applicants should have experience in commercial accounting, financial and cost accounting, and financial storekeeping. This post is for a single or unaccompanied person only. Posting Katime East Equatoria, Southern Region. Appointment 6 months. (Ref: RC 208/159/010).

Kiribati

Adviser for Finance and Administration Livestock and Meat Marketing Project.

To assist and advise Director of Finance and Administration; propose accounting and budgeting procedures; devise relevant fee collecting and accounting procedures for markets, etc.; assist Procurement Officer with procurement of project equipment.

Applicants should be under 55 years of age, Certified Accountants or equivalent with a minimum of 5 years' experience in business accounting preferably in Africa. Posting Kharzoum. Appointment 2 years. (Ref: RC 284/159/01D).

St. Lucia

Two Accountants

Required to: Build a sound foundation of Accounting of public funds at provincial level; establish and update the accounting system; train Provincial Treasurer and staff to maintain records.

Applicants should have extensive accounting experience. Posting Honiara. Appointments 2 years. (Ref: RC 528/154/01D).

Dominica

Terms of Appointment for all posts

Applicants must be UK citizens. Salary (UK taxable) in accordance with qualifications and experience, plus a Foreign Service Allowance, varying in accordance with country and domestic circumstances.

All these posts are wholly financed by the British Government under Britain's programme of aid to the developing countries. In addition to basic salary and overseas allowances other benefits normally include paid leave, free family passages, children's education and holiday visits, free accommodation and medical attention.

For full details and application forms please apply stating clearly post applied for, quoting AH 372/LA plus appropriate reference and giving details of age, qualifications and experience to:

International Appointments



BAXTER TRAVENOL
Is a world leader in the health care field. We develop, manufacture and market a wide range of products sold in over 90 countries.

We plan to stay ahead; do you?

IF you are ahead, and you plan to stay there, then we have a lot in common.

IF...

- your track record demonstrates solid achievement in the area of strategic business planning in a multinational environment or in management consultancy,
- you are around 30 with an educational base which complements your high career aspirations,
- you are persuasive and have the ability to communicate effectively (fluency in English - written and verbal - is essential), and are willing to travel,
- you want to be part of a small, newly established strategic planning team from which a substantial contribution is demanded for the evaluation of business potential, and the formulation of strategies for our development, manufacturing and marketing operations throughout Europe,
- you want a highly visible position which could provide the platform to accelerate your career development.

**STRATEGIC PLANNING
BRUSSELS.**

IF you think we still have a lot in common, write to: Strategic Planning Manager, Travenol International Services Inc., European Division, chaussée de La Hulpe 130, 1050 Brussels.

GENERAL MANAGER

U.S.A. manufacturer seeks general manager for European subsidiary assembling and distributing mechanical product in Europe, U.K., Africa, Mid-East. Salary over \$4m. Requires experienced managing distributors, business planning, and finance. Fluency required in French as well as English. Opportunity for self-starter to grow enterprise. Forward resume to Box A.7744, Financial Times, 10, Cannon Street, EC4P 4BT.

INTERNATIONAL APPOINTMENTS

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General Manager - Administration Saudi Arabia Around £30,000

This key role with a leading Saudi Arabian commercial group calls for a professional administrator with senior level management experience in the Middle East with the ability to establish and co-ordinate structured administrative systems but be flexible in approach. A degree or equivalent professional qualification is sought together with experience of controlling an administrative function employing 20 or more, covering personnel and relevant administrative activities.

The appointed candidate reports to the Chief Executive and carries responsibility for all group administration including office support services, estate management, visa and related activities, personnel and public relations. Salary is tax free and negotiable. Generous benefits include allowances for housing, transportation, education as well as paid air fares, holidays and medical care.

Please write - in confidence - with brief details to G. E. Yazigi ref. B.1119/3

MSL middle east

Management Selection Limited
International Management Consultants
52 Grosvenor Gardens London SW1W 0AW

BANK AND SECURITIES OFFICER

**BANK INTERCONTINENTAL LTD.
CAYMAN ISLANDS**

Bank Intercontinental Ltd. is a private merchant and investment bank located in Grand Cayman, British West Indies. The bank is part of a larger established group offering a wide range of financial and corporate services.

We are seeking to recruit an officer with a thorough knowledge of banking practices and procedures, perhaps to the level of Manager's Clerk within one of the major clearing banks. The successful candidate will be expected to control the bank's securities work and it is anticipated that within a short period of appointment the position will also carry responsibility for the day-to-day management of the office. Experience in trust work would be an added advantage.

Applicants will possess an AIB or ACIS qualification, as well as substantial banking experience, and will be seeking to develop a career in offshore banking. Candidates should also be able to demonstrate a flexible attitude and an ability to solve client and staff problems.

Preference will be given to single persons in the age range of 25-28 and we offer a commencing salary of US\$26,000 tax free.

All applications should be in writing only, incorporating details of career to date and addressed as below. Notification of interviews will be sent within the next six weeks.

The Secretary
c/o 24 Elm Park Lane
Chelsea, London SW3

INTERNATIONAL TREASURY HONG KONG

\$30 - 36,000

Landoll Resources Corporation of Manila which has extensive interests in Oil, Construction, Agriculture, and Trading is seeking an outstanding Executive to join the Representative Office in Hong Kong from where the Treasury function is run. He will be responsible to the Group Treasurer for the following:

- ★ Supervising the accounting function.
- ★ Organising the Transfer Department.
- ★ Maintaining Banking Relationships.

QUALIFICATIONS

- ★ Preferably a Qualified Accountant.
- ★ Treasury experience in an International Bank.
- ★ 25-30 years old.

An excellent salary and fringe benefits, including accommodation allowance for an expatriate is offered.

Reply with detailed c.v. and salary level to
E. McKechnie,
CORPORATE ANALYSIS LTD.,
2nd Floor, 83 Victoria Street, London SW1.

GENERAL MANAGER

HK\$500,000.00 - HK\$1,000,000.00 + housing & car

A major financial organisation in Hong Kong invites applications for the above position. Applicants will preferably be current/retired General Manager or officer of equivalent ranking in international bank or large financial organisation. Salary will be negotiable according to qualifications and experience.

All applications will be treated in strictest confidence.

Please send applications to:
GENERAL POST OFFICE
P.O. BOX 11188, HONG KONG

CREDIT OFFICER

required by French subsidiary of major North American bank to aid its Manager, Eurocurrency Loans, in the assessment of new loan proposals and supervision of existing international loan portfolio. Candidates should have at least two years' experience in credit analysis and be acquainted with Eurocurrency lending and documentation. Fluent English and a working knowledge of French are essential. Salary commensurate with age and experience.

Please address curriculum vitae with photo to:

Mrs B. Hodges
The Royal Bank of Canada (France) S.A.
3, Rue Scribe
75440 Paris Cedex 09, France

BERMUDA

Accountants - not necessarily qualified

\$25,000 Tax Free

Our client has an urgent requirement for 2 young accountants, preferably in their mid-20s, preferably single. Although a qualification is not necessary, some progress towards achieving one would be advantageous, as would experience of a financial or insurance institution.

If you are interested in this opportunity, contact Christopher H. Stock on 01-481 8111 immediately quoting L1902.



**BANKING & ACCOUNTANCY
PERSONNEL SELECTION**
11th Avenue House, 11th Avenue, London EC2M 3SL. TELEPHONE: 01-481 8111.

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مكتبة من النخيل

Computer Analysts/Programmers For Saudia Arabia

A leading financial institution in Saudi Arabia is looking for four computer analysts/programmers for NCR-8430 - IRX 0/S. Candidates must be graduates and should have minimum of two, but preferably four years' experience, in system design and/or programming under IMOS or IRX.

An attractive tax-free salary and free accommodation package will be offered to successful candidates depending upon their qualifications and experience.

Please reply in confidence to:
Mr. John Potter,

Ahmad Hamad AlGosaibi & Bros.
P.O. Box 707 AlKhobar, Saudi Arabia.

All interviews will be held in London.

MANAGEMENT ACCOUNTANT

AGE 26-30

BAHAMAS.

\$29,000 p.a. (TAX FREE) + BENEFITS

A major oil refining company requires a professionally qualified accountant for its analytical services department.

Candidates should have experience in the planning, preparation and review of budgets, forecasts and various reports for senior management. They should be self motivated and possess good communication skills.

The appointment is on an attractive island with an ideal climate.

Good furnished rental accommodation is available and benefits include a service completion payment, medical and school fee plans and three weeks annual leave, with airfare paid to point of origin for the employee and family.

Please send a comprehensive career resume including salary history, quoting reference 2046, to W.L. Tait.

Qualified Accountants Are you experienced and planning a return to Nigeria?

Cadbury Nigeria Limited, whose leading product is Bournvita, is a thriving part of the Cadbury Schweppes Group. This fast growth company with its sound base for further expansion would now like to hear from qualified accountants planning their return to Nigeria in the near future.

This could be your opportunity to secure a rewarding permanent appointment. Senior level posts in the financial and management accountancy area are open to fully qualified accountants, aged 25 plus, with sound commercial experience.

Generous salaries and benefits are offered and assistance with travel can be arranged in approved cases.

Applications, with career and personal details should be sent to Joe Onyesoh, Financial Director, Cadbury Nigeria Limited, P.O. Box 164, New Estate Road, Agidingi, Nigeria.

If you would like to discuss positions and career prospects immediately, please contact J. C. E. Hill, International Personnel Manager on 01-262 1212.



Cadbury Schweppes

The CBI's tax shopping list

SIR GEOFFREY HOWE'S habit of presenting his Budgets about a month earlier than the traditional date is mainly a matter of thrift—he gets an extra month's proceeds from any increase in excise duties; but it also mercifully shortens the season of Budget purdah and Budget representations. The CBI's annual list of requests, issued last night, comes too late to launch any major novelties. This fact is unlikely to spoil its chances, however, for it contains none.

Modest
The basic aim of the CBI's strategy is to improve competitiveness by all available means, but its executive requires two forms of action which ministers, to judge by their statements, will instinctively regard as incompatible. On the one hand, the industrialists ask for relief from government charges which increase costs—especially notably the National Insurance Surcharge, but also local rates, heavy fuel oil duty, and some more trivial burdens.

This package of reliefs, worth £3bn in a full year, together with a modest programme of public sector investment should be financed, it is proposed, partly through asset sales, current spending economies and charges for public services, but mainly from the revenues generated by higher activity, and by higher public sector borrowing. Yet the CBI also asks for a cut in interest rates, both to reduce industrial financing costs and to encourage some depreciation in sterling.

Last March, the Chancellor raised taxes quite sharply in order to facilitate a cut in interest rates and the exchange rate, with considerable initial success. The CBI seems to be suggesting that this trade-off is based on analysis that is faulty or out-of-date.

It is a pity that this proposition is not more fully explained. It seems to be suggested implicitly that the revenues last year monetary targets had primacy, thus restricting total credit growth in the economy, by now the exchange rate is the main consideration. But if the Government has an exchange rate objective—whether for stability or depreciation—it cannot have a policy about interest

Low incomes
In two respects, however, we would dissent from the CBI package. The CBI argues that excise duties should be frozen rather than indexed. We see no reason for a cut in real terms here (and the Budget does not either); and indexation would help to finance an unmentioned priority for 1982—some help for low income families. Efficiency and humanity are good slogans for 1982, supposed vote-catchers can come later.

Pressure tactics on Poland

FROM THE beginning, the dominant foreign policy objective of the Reagan administration has been the pursuit of a tough posture towards the Soviet Union, and this instinctive hostility to the Russians has been powerfully reinforced by the Polish crisis. Unfortunately, the pursuit of toughness is not necessarily a good guide to the formulation of the most useful policies.

The imposition of specific trade sanctions immediately after the Polish crackdown may have been a good indication to Warsaw and Moscow of President Reagan's sense of moral outrage, but in practical terms it was almost certainly a mistake. Equally mistaken have been those American voices which have been arguing for an enforced default of Poland's debts, or for calling off the European Security Review conference in Madrid.

Sanctions
The first difficulty with trade sanctions is that they are unlikely to be an effective instrument of political pressure unless they are applied to a wide range of goods by a large number of the principal supplier countries, and even then their effectiveness is doubtful. The second difficulty is that different countries have different trading interests, as well as different political perceptions. It was therefore bound to be hard for the Western allies to agree on convergent trade sanctions, either specific or general.

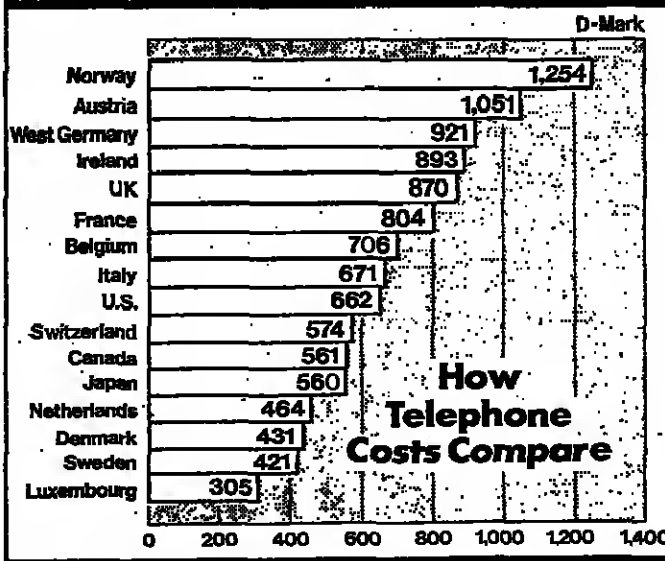
Minimum
In the first place, there is absolutely no guarantee that the Russians would respond by shouldering responsibility for the Polish debt. On the contrary, a default might in practice mean the removal of a very large part of the West's financial leverage. Since the Polish crisis may continue for quite some time to come, it is important that the Western countries should adopt pressure tactics which they can stick to for an equally long time with minimum discomfort to themselves and maximum discomfort to the Russians. The Helsinki review conference, now in progress in Madrid, is an ideal propaganda forum for keeping up the pressure, and it is fortunate that Mr Alexander Haig, the U.S. Secretary of State, has been dissuaded from walking out of the conference in protest. The conference may not have a direct effect on events in Poland, but the Helsinki agreement is a symbol of those Western values invoked by Solidarity. If anyone is to walk out, let it be the Russians and the Poles.

WEST GERMAN TELECOMMUNICATIONS

Leapfrogging into the future

By Guy de Jonquieres

West Germany's state controlled telephone system is trying to shake off its sometimes Victorian image. Under Dr Franz Arnold (right) it has begun to think on a grand scale—both delighting and disconcerting manufacturers



The totals for each country represent the cost in D-Mark at April 1980 of a bundle of telephone charges comprising: (a) one-tenth of the connection charge, (b) the basic annual fee, (c) 500 local calls of four minutes each, (d) 250 long-distance calls of up to 100 kms of three minutes each in normal tariff periods.

schirmtex, the German version of Britain's Prestel videotex information system, as a full public service. The Bundespost hopes to attract 1m subscribers by the end of 1985 by offering facilities like home electronic banking and computerised directory inquiries. It also recognises that it is taking a gamble: Prestel has only 13,000 subscribers and is still losing money after more than two years in business.

Communications remains a 'natural' state monopoly
The provision, at extra cost, of itemised telephone bills and the introduction of Europe's

first nationwide toll-free dialing system for airline reservations and similar services. A tentative proposal, still under study, to allow private operators to offer "value added" services like electronic mail on the public network. Such services, though available in the U.S. and since last year in Britain, are barred in Germany because the Bundespost fears that private competitors would cheat it of revenues by re-selling leased circuits at cut-rate prices. It plans to guard against this risk by linking its charges to the volume of traffic carried on leased circuits instead of renting them out for a flat fee. This system, requiring the installation of a supplementary rate of meters, would ensure that the Bundespost's revenues rose in line with the growth of private operators' business.



But as senior officials now admit, the organisation has cramped innovation in the past by imposing so many finicky requirements on its suppliers that their equipment was overpriced, over-engineered and difficult to sell on world markets. The shortcomings of this blinkered approach were driven home brutally in the late 1970s when the German telecommunications industry suddenly realised it was in danger of being overtaken by a major advance in technology.

Displayed ability for thinking on a grand scale
The competitive field trials are part of a change in Bundespost procurement policies introduced as a direct result of the EW-S-A fiasco. Instead of dictating rigid equipment specifications, it is encouraging manufacturers to propose their own solutions. It has also indicated willingness to widen its circle of suppliers beyond Siemens and SEL by inviting Philips to take part in the exchange trials.

The new approach is not quite as open as it seems, however. Though it recently bought the Daxep-N data communications network from Canada's Northern Telecom, as a general rule the Bundespost insists that at least half the development of all public telecommunications equipment it buys be done in Germany (where Philips has long had a local subsidiary). Until EEC authorities can agree on reciprocal access to each other's markets, the door will stay closed to manufacturers outside Germany.

computerised information systems and cable television as well as ordinary telephone service.

The main purpose of the project, known as "Bigfon," is to help West German industry acquire practical experience in optical fibres and optoelectronics, key technologies in which it has lagged until recently. The trials are due to last three years. But the Bundespost, which is funding half of Bigfon's DM 300m cost, seems keen to move even faster.

Dr Arnold sees Bigfon as the preliminary to a long-term programme of at least 50 years to replace copper telephone wires with optical fibre systems in different communities. Eventually, the systems would be linked as a single national network. Only in this way, he argues, can West Germany generate the high levels of demand needed to achieve economies of scale in the production of optical fibre.

Such a programme would require a major political decision in Bonn—and Bigfon admits that few ministers would accept risk. Bigfon's telephone subscribers will want advanced services like two-way video transmission.

But he is confident that consumer demand will develop once the means to provide such services are made available. The biggest uncertainties are undoubtedly economic and financial. One of the costs of replacing local circuits throughout the country with optical fibres is estimated at DM 50bn. But some manufacturers are sceptical.

"The Bundespost doesn't really know yet how much it will cost," says Karl Frensch, marketing director of Siemens public communications division. Professor Karl-Ludwig Blahk, technical director of Telefonbau under Normalzeit Leiber, a leading supplier of private telephone systems, calculates that it would cost about DM 180bn to rebuild the public network. Most of the sum represents the cost of digging up and re-laying cable.

Can the Bundespost afford the bill? In 1980 it made a profit of almost DM 2bn after covering substantial losses on the postal side. It reckons that it will see an increase in telephone charges if it is not to slide into loss by 1985. But though charges have not risen since 1974, Herr Hildebrandt, a Diebold believes that it may come under pressure to cut tariffs, which are still well above the European average.

The Bundespost's plans for modernisation may also be complicated by a factor which has, ironically, been a major advantage until now: the relatively recent construction of its all-analogue telephone system. Though the system works superbly well, it is being made obsolete by digital technology at a rate never foreseen 30 years ago. The Bundespost is wedded to extended depreciation schedules, and much of its existing investment has still to be amortised.

Men & Matters

Hall of fame

What more fitting place for Environment Secretary Michael Heseltine to find himself this weekend than Harrogate 6p in the £, second highest in the country. Ratepayers have resisted, 15,000 refused to pay their bills. One has taken a test case appeal against the levy to the courts this week.

The conference centre, coincidentally, will be opening about the same time for its first big event, the annual jamboree of the Young Conservatives. And who should be the star of the show—by a nose other than Heseltine who will be installed as the new YC president and make a keynote address on Sunday.

What sort of note, I wonder, will be heard?

Happy returns

The long arm of coincidence reaches beyond Michael Heseltine, however. Lord Boyd-Carpenter delivered 89th birthday greetings from the House of Lords yesterday to former Tory Prime Minister Harold Macmillan.

Back in 1963, Boyd-Carpenter recalled, he was speaking to the Tory conference in Blackpool on the need for rating reforms when Lord Home entered the hall with the piece of paper bearing the news of Macmillan's resignation. "Though I spoke for 25 minutes no-one listened to me," said Boyd-Carpenter ruefully.

Having wished Macmillan well yesterday, Boyd-Carpenter began another 25 minute speech to the Lords about the need for rating reforms. This time, at least, Home sat attentively beside him.

Star turn

Money Supply Growth Targets are not normally the stuff of

which TV evening news programmes are made. But they were in Washington yesterday.

Paul Volcker's annual appearance before the House of Representatives Banking Committee to report on Fed policy might have been a re-opening of the Watergate hearings for the multitudes of both public and media it attracted.

Anyone who failed to arrive at least half an hour before the proceedings started did not get into the hall, let alone a seat. The aisles were jammed.

All to hear what Volcker thinks is going to happen to M1 this year? Not exactly. Many hoped to hear the Fed roundly abused by congressmen for its tight money policies (which it was). Others hoped Volcker would say disparaging things about the Reagan budget deficit (which he did not). But for a central banker, Volcker has acquired a box office attraction many in Hollywood must envy.

Missing text

Biblical scholars who harbour a distaste for the United Nations may like to come to the rescue of Mayor Edward Koch of New York.

The Mayor, a long time foe of the UN because of its unempathetic positions on Israel, is looking for a quotation from the Bible to tack on to the one which currently appears on the so-called Isaiah Wall outside the UN on 43rd Street.

The existing verse is: "They shall beat their swords into plowshares and their spears into pruning hooks. Nation shall not lift up sword against nation. Neither shall they learn war any more." Koch says he has been studying his Old Testament for days looking for the right words to reflect his own view that the UN is in reality a "den of iniquity" or "a cesspool."

Inside player

A keen soccer player in his Leyton youth, Natwest's chief executive-elect Philip Wilkinson talks of his senior management team as the Bank's First XI.

The touchline talent spotters were out yesterday then to run their eye over the reserves being brought into the side: John Bond, new head of personnel; John Plawton, related banking services chief; Gordon Reeve, who takes over the management services division.

Man to watch, they say, is Tom Frost, the 49-year-old head of National Bank of North America. He comes in as general manager business development and could take over from Wilkinson in five years' time.

Paper weight

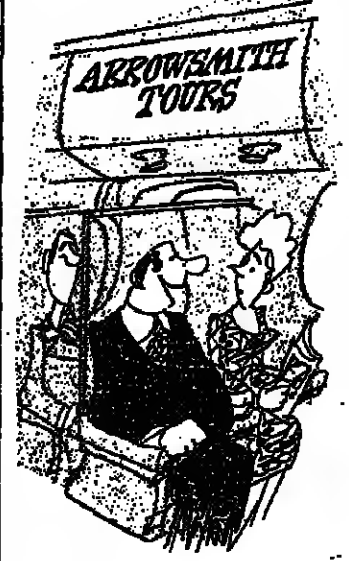
Weighting in at 700 grammes, the 15th annual report of the European Communities tends to confirm the impression that nothing ever gets carried very far in Brussels. Though someone must have shifted the 832,422 pages of print in swn language produced by the Eurocity machine last year or there would be another EEC mountain half-a-mile high by now.

The report records that the Commission, in fact held 45 meetings and 79 sessions (meetings that continue after lunch) and issued 6,044 acts, 651 proposals and 181 communications and reports. Perhaps it should now take a year off while the Council of Ministers catches up. It met 63 times, issued some 414 regulations, 150 decisions and 45 directives and left the legislative process still clogged.

The best meetings take place

For over a decade, people with a sense of occasion have chosen to rendezvous at the Inn on the Park. Now, we're also glad to say, people with good business sense are choosing the Inn on the Park for meetings of another kind. Though for much the same reasons. First, and foremost, the Inn on the Park is a luxury hotel. But if you think this makes for an unbusinesslike venue, think again. Nowhere are there surroundings more likely to make a lasting impression on colleagues and clients. And nowhere is there an atmosphere more conducive to making business a pleasure. This is made possible by service so thorough, so efficient and so unobtrusive that it leaves the businessman totally free to deal with matters at hand. No matter how big the business, or how small the gathering. Then, there is the added incentive of not one but two world-class restaurants. The Four Seasons which boasts cuisine fit for the palates of the greatest captains of industry. And Lanes, where the whitest collars can loosen their ties...not to mention their belts. All this, plus two bars and a lounge where even the fastest-moving executives will want to slow down and relax, makes the Inn on the Park the perfect setting for business of any kind. If you would like to find out more about business meetings at the Inn on the Park, simply call our Banqueting Manager, Paride Alexander, or Anthony Rivers on 01-499 0688.

where the best people meet.



"I don't care where I'm going—I'm only here for the beer!"

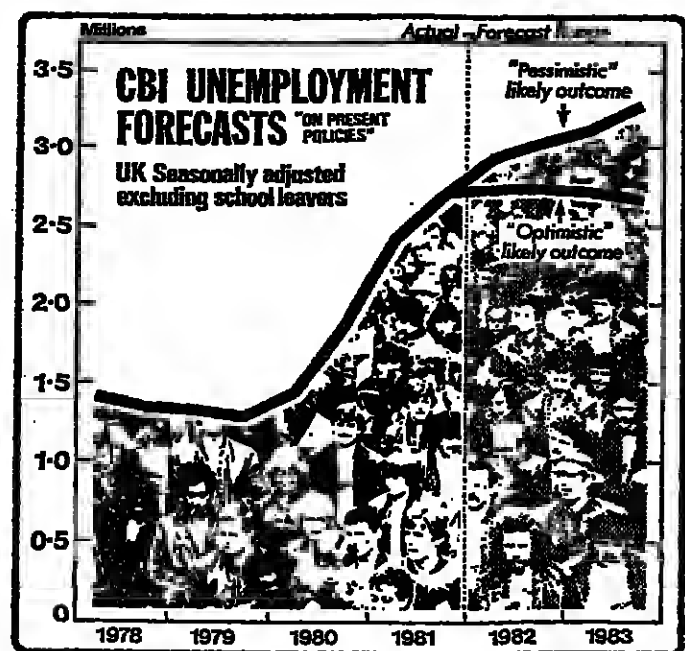
ECONOMIC VIEWPOINT

More jobs without 'reflation' II

By Samuel Brittan

MANY OF the older generation of British economists were drawn into the subject by the paradox of unsatisfied human demands...

inertia, stop him from offering himself for employment at a market rate, has every bit as justified a grouse as his predecessor in the 1930s...



Bob Hutchison

Today's unemployment is different from the pre-war variety because it does not reflect any shortage of monetary (or nominal) demand...

But, whatever the methods used, a shift to more realistic and market-related wage settlements will take time.

rent and rate rebates and so on) and the tax and National Insurance levied on the newly employed person's income.

security benefits? Nor would the economies be radically changed if the pay were not literally the benefit saved...

But having pointed out that injecting more money into the economy is an inappropriate response to unemployment...

Second-best schemes are better than nothing. A fortnight ago on this page I mentioned job creation schemes as being better than either the across-the-board National Insurance surcharge...

Unfortunately the Treasury arithmetic presented on this issue in the most negative possible way. It is assumed that a previously unemployed person would be taken on at £90 per week...

The other 'Layard' measure which I have previously advocated is a substantial wage subsidy payable for a year to employers for each net addition to their labour force...

Ways of pricing people into work

wants and idle hands—on a far greater scale than can be explained by job changing or voluntary leisure between jobs—remains a scandal even if the 'reflationary' remedy is wrong.

The best starting point is the fact that the Government—or more accurately the public through taxes and transfer—is paying millions of people 'dole' money for doing nothing.

What is the main objection to special public sector projects? It is surely the risk that people become bogged down in second best work creation schemes who could be absorbed into 'real work' when economic recovery comes.

The appropriate comparison is between marginal wage subsidies and reductions in the National Insurance Surcharge (NIS). The latter would come when profits are in any case recovering strongly and would thus be a characteristic piece of Whitehall mistiming.

Ministers are quite right to talk of people pricing themselves into or out of jobs. But saying so is not enough. They have—if they want to be more than indifferent jay preachers—the task of proposing ways of pricing people into work.

Surely it ought to be possible if the recipients so desire—to pay them for doing something rather than nothing. People who make this case often exaggerate the sums the Government could switch.

Why not announce that anyone will have the option of public employment for net pay no less than his present social

leadership. It should see where it is that the lead is required. There are probably many other examples of cost-effective job creation projects.

practices or simple employer

benefits such as school meals,

displacement

which is normally used to but-

Lombard Psychology and the EMS

By David Marsh

MR DONALD REGAN, the U.S. Treasury Secretary, has made at least some people smile during the past few weeks.

well into the 21st century, that might seem to rule out membership for rather longer than most governments look ahead.

Rehuking the Federal Reserve over the wayward performance of the American money supply, he remarked that the West German, Swiss and British central banks 'do seem able to control their money supplies fairly well'.

The historical factors are more complex. Britain still cannot get over a devaluation phobia that goes back 50 years.

In view of Britain's chronic failure to keep to its sterling M3 targets, Mr Regan's charitable linking of the UK to the fabled hard money men on the Continent (some to think of it, even that is a bit out of date now) has by all accounts led to some levity at the Bank of England.

But no-one at either the Treasury or the Bank is too keen to risk one arriving earlier. This could happen through an over-hasty decision to join the EMS, particularly if the entry rate was set near the present over-valued level against the D-Mark.

Those sceptical about the advantages of EMS membership point out, quite justifiably, how quickly Britain spent around \$2.5bn in intervention back in 1972 to prop up sterling during its ill-fated six-week spell within the EEC currency 'snake'.

The real casting vote against EMS membership, however, is psychological. The idea of setting exchange rate targets to influence people's expectations is obviously a sensible idea in sensible countries like West Germany, but not in the UK.

The most obvious example of the gulf is the extreme reluctance of the Government to take sterling into the European Monetary System. The reasons why British membership is still a long way off—and, plainly, may never come about—are partly a matter of straightforward economics.

The main reason why the drastic over-shoot of sterling M3 has had no effect on expectations in wage-bargaining or anything else is because no one took it seriously in the first place.

One Whitehall official put it most succinctly. The Government could, he said, explain in minute and technical detail all the indicators it used to keep economic policy on a steady course; but there would be little point proclaiming all this as a target because only a few people, mostly in journalism and the City, would understand it, let alone take any notice. Far better, he said, to let through a mouthful of veal, if they really wanted an inkling of what was going on, to let them take you to lunch instead.

to lunch instead.

Letters to the Editor

Inflation-proofing for company pension schemes

From the Finance Director, Coutinho, Caro and Co. Sir—The editorial (February 5) on the comments of Professor Wilkie on the subject of index-linking of pensions, appears at a significant time.

to various forms of investment. This experience should be linked to actuarial evaluations, to enable (on a cost break-even basis) the Government to determine how much inflation-proofed annuity it will exchange for the payment of a fixed sum at a particular age.

constructive progress on a matter that ultimately affects us all. A. E. J. Williams, Walker House, 57, Queen Victoria Street, EC4.

At present we see the condemnation of a large sector of the population to exist on continuously diminishing real incomes at the very stage of their lives when they are least able to assist themselves.

Such a system has no adverse cost implications, and could create the availability of 'honest money' pensions. This would stimulate renewed interest in sacrificing immediate for deferred pay, and stimulate an expanded and realistic self-help attitude to retirement.

From Mr C. Lewin. Sir—Although you described (February 5) Professor Wilkie as a 'lone voice' on the inflation-proofing of pensions, the fact that it is possible for company pension schemes to introduce inflation-proofing is well known in the pension industry.

The practical difficulty is primarily cost—or is it? There is a very logical first step that can, and ought, to be made. This step will neither enhance the costs to private industry, nor require hand-outs from the Government.

One cannot help feeling that if half as much attention had been devoted in recent years to finding positive solutions to optimising 'honest money' private pensions, as has been paid to attacking the sector of the workforce that benefits from such pensions already, we would by now have achieved some

Practical methods do exist for introducing pension increases into private sector pension funds, on a financial basis which does not involve the employer in an open ended liability and which may not even involve him in much extra cost.

Immunity and the Lloyd's Bill

From Mr G. Barrow. Sir—I was sorry to learn from John Moore's piece (February 8) that those still opposed to the limited immunity clause in the Lloyd's Bill intend to resist it during its passage through the upper house.

period when an amber light has started to flash and a judgment has to be made as to whether the company's difficulties are of temporary nature. In short, whether the next signal will be green or a red light.

proper degree of independence in underwriting risks. That may be fully accepted by those Lloyd's brokers which now control syndicates but if they were to be replaced by purely financial interests primarily concerned with the volume of premium income available for investment the external pressures on underwriters could be disastrous.

The Department of Trade has a duty to prevent an insurance company from continuing to accept new premiums once there is real doubt about the company's continued ability to meet claims.

Indeed it is the growth of U.S. insurance interests which, in my view, makes it essential for there to be a separation between brokers and the management of syndicates.

I hope very much that those who are still opposed to the immunity clause, even in its present form, will think carefully before they jeopardise the whole Bill. G. E. Barrow, 2, Broadway, Gustardwood, Herts.

EEC competition policy

From Mr T. Sharpe. Sir—Mr Merritt paints a virtually unrecognisable picture of EEC competition law in his report of February 2. Surely he must realise that complaint about the inequities of anti-trust law and of the unfeeling bureaucratic attitude which marks the pursuit of an honest profit is simply the prerogative of the businessman in much the same way as the farmer has pre-empted the weather as a topic of discussion.

EEC laws are designed to eliminate national barriers to free trade similar in effect to those which would otherwise exist for tariffs or quotas.

What is tolerably clear, however, is that companies, particularly the very largest, are employing more sophisticated means to sidestep the thrust of the competition policy. The steady growth of selective distribution networks, guarantees which are only valid in one state, refusals to supply known price cutters, a price premium on goods destined for export, and many other measures, all of which have found plausible justification, point toward a sharpening of EEC anti-trust effort.

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UK COMPANY NEWS

BOC expands by 45% to £21.2m for first quarter

FOR THE three months ended December 31 1981, pre-tax profits of BOC International increased by 45 per cent on a modified historical cost basis to £21.2m, compared with £14.6m in the same period of 1980.

HIGHLIGHTS

After briefly commenting on a strong day in the markets Lex moves on to review the implications of Elder IXL £54m bid for Wood Hall Trust following Tuesday's dawn raid.

For the 12 months ended September 30 1981, taxable profits climbed from £61.5m to £92.7m, on sales of £1.52bn (£1.19bn). Dividends totalling 5.11p net per share were paid.

share of associates' profits rose by £1.2m to £2.2m, but interest charges were £0.7m higher at £15.6m.

Tax charge was up from £8.5m to £9.3m, including overseas tax of £7.2m (£4.6m), and after minorities £2.6m (£2.3m) earnings for the period came out at £9.3m, compared with £5.6m.

A geographical split of operating profits shows: Europe £5m (£5.2m); Africa £3.3m (£3m); Americas £9.8m (£11m); Asia £0.6m (£0.4m) and the Pacific £8.4m (£8.8m).

See Lex

Gripperrods down at six months

TAXABLE PROFITS of Gripperrods Holdings dropped from £552,672 to £407,324 for the half year to October 31 1981. Turnover was down from £8.5m to £7.8m.

A reduced interim of 1.4p net (1.575p) per 10p share will be paid. Stated earnings per 10p share have fallen from 10.6p to 8.34p. Last year a final of 3.875p was paid out of pre-tax profits of £1.13m.

The company manufactures and markets carpet underlay and laying fittings.

Elson & Robbins shows early improvement

Sales at Elson and Robbins improved by 27 per cent in the first four months of the current year, Mr E. R. Keeling, the chairman, told the annual meeting.

Management accounts for the first quarter showed losses of £73,000 compared with £622,000 to the same period last year.

Hill Woolgar £90,000 after nine months

The directors of Hill Woolgar and Company, a licensed dealer in securities, state that pre-tax profits for the period March 29 to December 31 1981 were not less than £90,000 after deduction of start-up expenses.

They say the company only had the benefit of the funds raised by the public for approximately six months of the trading period announced.

At December 31 the company had liquid assets of about £2.5m out of a balance sheet total of not less than £3m.

A high level of enquiries for the company's services is continuing and the directors are confident this will lead to "an annual profitable programme for 1982".

Crescent Japan Inv. raises payout to 1.5p

The net dividend of Crescent Japan Investment Trust is being increased from 0.95p to 1.5p per 50p share for the year ended December 1981.

Available revenue rose from £64,612 to £112,025 after tax of £12,952 (£59,986). Stated earnings per share of this investment trust rose to 1.56p against 1.99p. Net asset value improved from 239.2p to 349.7p.

Securicor tops forecast with £9.32m for year

AN INCREASE of 17 per cent in pre-tax profits to £9.32m, compared with £7.94m, is reported by Securicor Group for the 12 months to September 25 1981. Turnover for the period was also well ahead, rising by £20m to £194m.

By mid-year taxable profits had improved from £3.7m to £4.12m, a rise of 26 per cent, and in September the directors forecast full year profits of not less than £9.2m at the pre-tax level.

Although stated earnings per 25p share were slightly down for the year at 14.7p (15.5p) an increased final dividend of 1.25p (1.11p) is being paid, which raises the net total to 1.78p, against 1.64p. A scrip issue of one new A ordinary for every two ordinary or A held is also proposed.

Tax for the year took £3.26m (£1.53m). Of this the UK charge was £3.47m (£1.64m) and £0.28m (£0.59m) was for overseas tax. There was a credit for prior-year adjustments of £1.02m (£0.01m). The net surplus was lower at £6,055,156.41m.

At the attributable level profits emerged at £3.75m (£4.04m) after debiting £2.31m (£2.37m) for minorities.

Ordinary dividend payments about £379,000 (£383,000). A provisional breakdown of group profit before tax shows: industrial security and parcels services—UK £4.93m (£3.96m), and overseas £1.8m (£1.3m); finance, investments and insurance £2.38m (£2.09m); and property, hotels and vehicles £316,000 (£388,000).

On a CCA basis the taxable profit figure is reduced to £7.83m and on the same basis earnings per share were 9.7p.

Historical pre-tax profits of the group's 50 per cent-owned subsidiary, Security Services, had advanced from £6.23m to £7.96m for the same accounting period on turnover £18m higher at £152m.

Epicure profits increase by 28%

TAXABLE PROFITS of Epicure Holdings increased by 28 per cent from £423,000 to £540,000 for the period September 1 1981. Turnover improved by 10 per cent from £5.46m to £5.98m.

A not interim dividend of 0.625p per 5p share will be paid—a 25 per cent increase on last year's 0.5p. Last year a final of 0.75p was paid out of profits of £375,000. Stated earnings per share were 2.1p against 1.6p previously.

Mr R. J. Brealey, chairman, has waived his £73,502 entitlement in the declared dividend.

The total net interim dividend payable before such waiver amounts to £129,502. He also waived his entitlement to interim and final dividends last year amounting to £176,000.

Mr Brealey says all sectors have held up well and should continue to do so for the rest of the year.

Westland starts with caution

A SHAREHOLDER of Westland Aircraft asked Lord Aldington, the chairman, at yesterday's annual meeting how the group was affected by the Laker Airways financial crash.

Another shareholder asked about last August's North Sea helicopter crash, the cause of which remained a mystery.

Commenting on the first quarter of the current year, in general he said the group had performed very much as expected, and as he indicated in his annual report, orders were still very difficult to get and his experience had continued since the turn of the year, particularly with naval and military helicopters and the hovercraft.

He said the latest estimate of results for the whole year indicated that, despite the recession in its industry, the trading profit should be a "bit higher than last year".

Lord Aldington said progress continued on the international definition of EH 101, or development work for the Westland 30 and for improvements of the Lynx.

Half-year profits, to be announced in June, would be lower than the first half last year, he said, but "our first-half figures have never given a true reflection of the year's results".

Shareholders agreed to a resolution changing the company's name to Westland plc.

DIVIDENDS ANNOUNCED

Table with columns: Company, Current payment, Date, Correc of spnding, Total div, Total last year. Includes Ashley Industrial, Benn Brothers, D.A.D. Properties, etc.

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡To reduce the parity. §South African cents throughout.

Tax took £3.26m (£1.28m) including credits for prior year adjustments of £797,000 (£594,000). The net figure came through at £4.88m (£4.94m).

The net total dividend is being stepped up from 2.2p to 3p—an increased final of 2p (1.8p). A scrip issue of one new A share for every three ordinary or A held is proposed. Stated earnings per 25p share were 13.6p (14.4p).

CGA adjustments reduce taxable profits to £5.36m and stated earnings to 9p.

The security and parcels business of Securicor has done its best for the group this year. In the UK an increase of around 20 per cent in parcels turnover—to about £60m for the year—has helped push profits up by almost a quarter, the smaller overseas division has done well, ahead by 38 per cent, despite lack of help from currency factors.

Insurance has taken a slight dip, and although the botola are useful as providers of services within the group, earnings are very modest. The shares, which have been having a good run lately, but fully discounted the results (given a profit forecast when Bown was acquired for shares just before the year end). Although 7p came off the Securicor "A" yesterday at 215p they still yield no more than 1.2 per cent. Any rate come up to expectations, it should make a substantial contribution to second-half profits. On the construction side, low overheads have meant that an increasing order book is having a considerable impact on profits, particularly with the small West German industrial painting company. The property and investment portfolio has been slightly enlarged, and income has been increased by rent reviews. Epicure has an open mind as regards acquisitions and will consider any opportunities that arise. The share price, near an all-time high of 43p, did not move after the results. Assuming a proportionate rise, in the final dividend, the share yields 8.3 per cent.

Yeoman raises payout and finishes higher

Slightly improved short-term figures are shown by Yeoman Investment Trust, moving from £220,756 to £260,184 for the year to December 31 1981.

The final dividend has been effectively increased from 3.85p to 4.29p, to give a final equal to 4.76p, compared with 4.33p previously. Stated earnings per share rose from 4.96p to 6.91p.

Gross revenue was little changed at £1.07m and unearned income improved, marginally, from £361,936 to £369,817. Interest payments were lower this time at £69,283, against £100,898 last time. The charge for tax, including imputed tax credits, was higher at £428,988 (£396,424).

Net asset value per share was higher at £169.56 against £153.5p. Retained earnings were lower at £17.96m (£18.56m).

With last year's sale of the lease-making White Hart hotel, Epicure is now firing on all three cylinders, with a beneficial effect on overall margins. The remaining UK hotel at Woodfill Spa has bucked the trend by reporting increased occupancy rates. The "English style" hotel in Florida, which opened in the 1979 Year, has got off to a good start, with a first month occupancy rate of about 60 per cent, and it should make a substantial contribution to second-half profits.

Assuming a proportionate rise, in the final dividend, the share yields 8.3 per cent.

Tilley Lamp back in the black

A major improvement from losses of £240,941 to profits of £42,012 is reported by The Tilley Lamp Company for the year ended September 30 1981. Turnover was slightly down at £2.33m compared with £2.46m.

The company, involved in light engineering manufacture, is a subsidiary of Stoneage International (Holland), whose holding company is Hanover Investment Corporation (Netherlands Antilles).

Stated earnings per share were up at 6.85p compared with a loss per share of 3.54p.

Taxable profits were struck after exceptional debits of £32,119 (£100,160). Tax took £27,845 last time—leaving after tax profits of £29,312 (£168,069 loss).

Ashley Innl. runs into loss at six months

In the half-year to October 31 1981, Ashley Industrial Trust formerly known as Thames Plywood Manufacturers, has run into losses although, as anticipated in the last annual report, turnover has increased.

For the six months the period was £91,000, against a profit of £168,000 last time, on turnover up from £1.4m to £1.66m. The setback was caused by reduced turnover and margins in the furniture division, made worse by the strengthening of the U.S. dollar.

Also, start-up losses in the fast food outlet, which opened last July, were higher than expected and contributed adversely to the group's position.

On capital increased by the one-for-one scrip issue, the interim dividend is 1.5p (adjusted 1.25p) net.

Stated loss per 25p share for the six months was 2.2p (3.7p earnings).

Sheffield Twist to make 90% repayment

Sheffield Twist Drill and Steel has decided to increase the proposed repayment price of £85.50 per cent plus accrued interest to £90 per cent for the 74 per cent debenture, stock £109,077, on March 6.

The directors say the decision was made because the original proposal made on January 6 has been made less attractive to shareholders by the strong advance of the gilt-edged market.

The company is a subsidiary of Aktiobolaget SKF.

Heelamat hit by rail dispute

TAXABLE PROFITS of Heelamat Holdings, heel-car operator, totalled £161,000 for the six weeks to October 31, 1981, on sales of 10 per cent higher at £2.17m. As this is the first interim report of the company there are no comparable figures available for the first half of the previous year—the company's shares are traded on the Unlisted Securities Market.

However, for the last full year in May 2, 1981, the group returned pre-tax profits of £269,000 on turnover of £4.55m.

Commenting on the second six months of the current year the directors say that historically, turnover is greater during the period and this pattern has been repeated in date. However, they point out that trading has been severely affected by the exceptional weather conditions during the past two months and the continuing disruption of the railways has further compounded the situation which is "a major cause for concern".

They explain that 20 higher volume units are located either in London mainline or underground stations and are almost entirely dependent on commuters. The directors warn that the loss of this volume is having a "very detrimental effect on margins and they feel that profits for the full year will not match those of 1981."

Meanwhile, a net interim dividend of 2n is declared and it is anticipated that a final of 3.6p will be paid.

Half-year tax took £75,000 and extraordinary debits amounted to £33,000, representing the costs and expenses of the rights issue.

Stated earnings per 10p share emerged at 1.5n fully diluted, and at 2.8n undiluted.

During the first half 10 new units were opened and two small unprofitable ones closed—five of these were existing heel cars in Central London, acquired in September. These will be refurbished and the benefits will "materially accrue in the 1982-83 financial year," the directors say.

• comment Heelamat's inability to give an

idea of comparable profits has made it difficult to assess the merit—or demerit—of this performance. But it is certainly below market expectations. The policy of acquisition to blot out competition in prime areas may have had an unfavourable effect on margins. And expansion has been slower than planned owing to delays in planning permission. Yet the great stress that Heelamat places on the unfavourable impact of the weather and the rail strike on current trading is surprising. The company's concentration of outlets at underground stations is greater than ever, and had weather is traditionally considered good news for shoe retailers. Whatever the reasons, previous volume estimates of £50,000 pre-tax profits for the year look completely unjustified, with around £500,000 much more likely. After the figures the changed expectations were reflected in the share price which shed 16p to close at 100p yielding a little over 8 per cent.

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Yorkshire Bank's profit up 18%

OPERATING PROFITS for 1981 of the Yorkshire Bank, the clearing bank controlled group, showed an increase of 18.3 per cent from £19.76m to £23.41m after tax of £8.45m, against £7.45m profits were ahead from £12.22m to £14.95m.

Despite the improvement in profitability and a modest increase in dividends paid—up from £2.50 to £3.05m—a special levy on banking deposits of £3.29m (nil) reduces the retained surplus to £15.66m, compared with £9.52m.

In current cost terms, retained profits fell from £1.95m to £1.59m, although pre-tax figures were ahead at £16.43m (£12.2m).

Operating profit from banking activities increased from £20m to £22.1m and the trading subsidiaries made a substantial contribution to the improved performance.

Yorkshire Bank Finance produced a profit of £533,000 (£257,000) and the leasing operation generated pre-tax profits of £527,000.

Group total resources increased by 11.5 per cent to £258m and customers' deposits and other accounts also increased by 11.5 per cent to £739m. The trend seen in 1980 of stower growth on current account balances, as customers took advantage of high interest rates available on the Bank's interest bearing facilities, continued during the year. The growth in current account balances was £19m (or 8.5 per cent) while interest bearing accounts attracted a further £59m (or 14 per cent).

Advances to customers and other accounts increased by 22 per cent to £572m. The Group is well placed to meeting further increases in demand.

The total number of customers' accounts rose from 1.63m to 1.73m. The growth in business accounts was especially good and the flow of new personal current accounts increased substantially particularly during the latter part of the year following the introduction of the new charging tariff.

Over 30,000 new accounts were opened during the period from September to December, 1981—an increase in the rate of growth of 38.5 per cent compared with the same period in 1980. The growth rate in January, 1982 was higher at 57 per cent.

Growth in instalment lending—personal loans and house owners loans—exceeded expectations with record numbers being granted. Over 160,000 loans were granted during the year.

SECURICOR PROFIT FORECAST ACHIEVED AT £9.3m From a turnover of £194m, pre-tax profit of Securicor Group increased by 17% to £9.3m (Security Services contributing £7.9m), which confirms the forecast made last September. A capitalisation issue of 'A' ordinary shares is proposed to ordinary shareholders in Group on a one-for-two basis and to those in Services on a one-for-three basis. Operating profit in the UK was £1m higher at £4.9m on turnover exceeding £159m, to which freight and parcels contributed some £60m. Profit from overseas, up £0.5m to £1.8m, showed overall improvement. - PETER SMITH Chairman

THE TRING HALL USM INDEX 117.9 (-0.1) close of business 10/2/82 BASE DATE 10/11/80 100 Tel: 01-638 1591. LADBROKE INDEX Close 573.578 (+11). M. J. H. Nightingale & Co. Limited 27/28 Lovat Lane London EC3R 8EB Telephone 01-611 1112

LONDON TRADED OPTIONS Feb. 10 Total Contracts 1,297. Cols 782, Page 508. Table with columns: Option, Expiry, Closing offer, Vol., Closing offer, Vol., Equity close.

Companies and Markets BIDS AND DEALS

DUNCAN CAMPBELL-SMITH EXAMINES BID FOR WOOD HALL

Fresh recruit to Australian elite

THAT ELITE group of rugged Australian businessmen whose... Mr Elliott is the 40-year-old chief executive of a fast-growing Australian company...

BARRY RILEY LOOKS AT CARR SEBAG'S FUTURE WITHOUT WICO

Building on a base for prosperity

STOCKBROKERS Carr Sebag yesterday announced that £3m realised from the sale of the firm's stake in the Hong Kong stock exchange...

Hyman makes final break from Crowther

MR JOE HYMAN has severed his last connection with the John Crowther Group, the Huddersfield textile group where he was chairman and chief executive for 10 years...

Sangers drops proposal to buy U.S. brokers

Sangers, the loss-making pharmaceutical group, has decided against diversifying into the U.S. financial services field.

Grindlays agrees sale of Hong Kong interests

Grindlays Bank has now entered into a conditional agreement to sell its Hong Kong retail bank, Grindlays Dao Hong, and its Hong Kong finance company...

Eskimos share Cominco zinc find in Alaska

AN ESKIMO AGENCY has agreed that Cominco of Canada may go ahead with the further evaluation and possibly the development of the Red Dog zinc-lead-silver deposit in north-western Alaska.

Shell plans to pull out of Canada minerals search

THE CONSTRAINTS on oil company cash flow which will arise over the next two or three years out of Canada's national search for other minerals...

Palabora's earnings move ahead in second half

THE Rio Tinto-Zinc group's South African copper-producing Palabora has, of course, suffered from low copper prices. But after having fallen sharply in the first half of 1981, earnings have improved in the second half...

Stewart Nairn comeback

THE LOSSMAKING business and knitwear manufacturer, Stewart Nairn Group, whose shares have been suspended since last August, announces that it has reached agreement in principle to purchase certain overseas properties...

NOLTON TO SELL OFF SUBSIDIARY

Nolton, the investment holding company, is selling its Nolton Communications subsidiary, subject to shareholders' approval...

LINREAD SELLS FASTENER COMPANY

Linread, the Birmingham based manufacturer of cold forged fasteners, has agreed to sell its wholly-owned subsidiary Linfast Fastener Centres to a company controlled by two former Linfast directors...

NO PROBE

The proposed mergers of Heron Corporation and Associated Communications Corporation, and the Bell Group and Association Communications Corporation are not being referred to the Monopolies Commission.

SGS GROUP SETS UP DANISH SUBSIDIARY

SGS Group has set up a new subsidiary in Denmark, Witex SGS (Skildars) A/S, following the acquisition of the assets of four companies...

ALEX. HOWDEN

The offer by Alexander and Alexander Services for Alexander Howden Group has been accepted by holders of over 90 per cent of the shares...

Table with columns: Series, Vol., Last, May, Last, Aug, Last, Stock. Includes various financial data points.

Table with columns: Bank Name, Rate. Lists various banks and their lending rates.

FIRST QUARTER'S RESULTS

Table with columns: Modified Historical Cost, Current Cost. Shows financial results for three months to 31 December.

Pre-tax profits for the BOC Group of £21.2 million for the three months ended 31 December 1981 show an increase of 45% over the £14.6 million in the comparable period of the previous year.

THE BOC GROUP

For full text, including condensed balance sheet of 31 December 1981, write or phone Corporate Communications, BOC International plc, Hammersmith House, London W6 9DX. Telephone: 01-748 2020.

COMPANY NOTICES

COMPAGNIE FINANCIERE ET INDUSTRIELLE DES AUTOMOTRICES - COFIROUTE 9% 1974/1989 Loan of UA 17,000,000

REFINERIA DE PETROLEOS DEL NORTE, S.A. PETRONOR - 7% BONDS 1973/1988 U.S.\$15,000,000

LEGAL NOTICES

THE COMPANIES ACTS 1946 TO 1976

ECONOMIC EXPORTS LIMITED LIMITED FERGUSON (GENERAL EXPORTERS) LIMITED

NOTICE IS HEREBY GIVEN, pursuant to section 233 of the Companies Act 1948, that a meeting of the creditors of the above-named Companies will be held at Carrington Rooms, Great Queen Street, London, W.C.2, on Friday, the 19th day of February, 1982, at 11 o'clock in the forenoon, for the purpose mentioned in sections 234 and 235 of the said Act.

GATED 25th day of February, 1982. By Order of the Board, A. YEOMANS, Secretary.

S. R. GOLDMAN (LONDON) LIMITED LIMITED

NOTICE IS HEREBY GIVEN, pursuant to Section 233 of the Companies Act 1948, that a meeting of the creditors of the above-named Company will be held at Rooms 3, Winchester House, 77 London Wall, London EC2 on Wednesday the 24th day of February, 1982 at 11.45 a'clock in the forenoon for the purpose mentioned in sections 234 and 235 of the said Act.

Dated this 4th day of February, 1982. By Order of the Board, J. N. LEFEVER, Director

COURSES

UMIST MICROELECTRONICS APPLICATIONS UNIT (MAU) MICROPROCESSOR COURSES INTRODUCTORY MICROPROCESSOR ENGINEERING COURSE 22-26 MARCH 1982 (Course Ref. C022/7)

GAZ DE FRANCE

National Service Public Corporation of the French State (Law on nationalization of Electricity and Gas of April 8th, 1961) Registered Office: 25, rue Philibert Delorme, Paris (17^{eme}) 9% BONDS 1970-1985 of US\$1,000.

Numerical list: 1. of the series including, with the previous repurchases, the 1,228 shares shown by lot on February 20, 1982 (French drawing) making up, with the 82 repurchased bonds, the US\$1,350,000 to be redeemed on March 15, 1982.

These bonds will be redeemed at US\$1,000 in the office of the CHASE MANHATTAN BANK in New York and the office of the following banks: BANQUE NATIONALE DE PARIS, PARIS; SOCIETE GENERALE, PARIS; CREDIT COMMERCIAL DE FRANCE, PARIS; SOCIETE GENERALE AG, FRANCORT SUR LE MAIN; BANQUE BRUXELLES LAMBERT, BRUXELLES; SOCIETE GENERALE DE BANQUE SA, BRUXELLES; BANCA NAZIONALE DEL LAVORO, ROMA; CREDIT LYONNAIS, AGENCE DE LUXEMBOURG, LUXEMBOURG; SOCIETE GENERALE ALSACIENNE DE BANQUE, LUXEMBOURG; AMSTERDAM ROTTERDAM BANK NV, AMSTERDAM; CREDIT LYONNAIS, PARIS; BANQUE DE PARIS ET DES PAYS BAS, BRUXELLES; KREDBANK AG, OUSSELDORF; OESNER BANK AG, FRANCORT SUR LE MAIN; KREDBANK NV, BRUXELLES; ITALIANA, MILAN; SOCIETE GENERALE DE LUXEMBOURG SA, LUXEMBOURG; GEORGES LUXEMBOURG SA, LUXEMBOURG; SOCIETE GENERALE NEERLAND, NV, AMSTERDAM; BARCLAYS BANK LTD, LONDRES

Outstanding amount: US\$4,000,000.

ITO-YOKADO CO., LTD. (CDRs)

The Board of Directors of Ito-Yokado Co., Ltd. has announced that shareholders who will be registered in the books of the Company on February 25th, 1982, will be entitled to receive a 10% grant distribution of the underlying designated dividend.

10 of the CDRs for this purpose in Japan the shares are traded as CDRs as from February 24th, 1982. Amsterdam.

3rd February 1982 AMSTERDAM DEPOSITORY COMPANY N.V.

PERSONAL

Fact IT CANNOT BE CURED,

it cannot be prevented, it can be controlled only by proper treatment. More research is required to find a cure -

Diabetes

JOIN US - HELP US - SUPPORT US THE BRITISH DIABETIC ASSOCIATION 10 Queen Anne Street London W1M 0EU

Companies and Markets

Habit Precision year-end loss

IN LINE with the mid-term statement, Habit Precision Engineering curtailed its losses in the second six months and for the full year to September 30 1981 finished £146,256 in the red at the pre-tax level, compared with a profit of £49,080 previously.

By mid-year the company, which manufactures precision cutting tools, had slipped from taxable profits of £18,000 last time to a deficit of £86,000 after exceptional debits of £14,000. However, in their interim report the directors said trading had shown some improvement and that the group had curtailed its losses.

The pre-tax loss for the year was struck after interest charges of £33,313 (£38,592). At the attributable level the loss was reduced to £44,551, against a surplus of £50,457, following a tax credit of £128,593 (£3,843 charge) and extraordinary debits of £34,298 (£4,786) - a substantial return of tax had been predicted.

Stated loss per 5p share emerged at 0.61p (1.47p earnings) and, like the interim, the final dividend is omitted - last year an interim of 0.55p was paid but the final was passed.

Mr J. E. Mayne, chairman, says that 1982 is set to be a better year. Improvements in

Worthington into deficit

THE DIRECTORS of A. J. Worthington (Holdings) say the cost of their rationalisation programme continued to adversely affect the company which reports pre-tax losses of £7,400 for the half year to September 30 1981, compared with profits of £17,300 for the same period last year.

Reorganisation, developments and investments aimed at lowering running costs in the longer term will continue to be a major pre-occupation of this textile manufacturer, say the directors.

Restoration of profit will depend on a number of factors, the most important being an end to the recession and the arrival of stronger markets which should result.

Turnover rose from £1.3m to £1.5m, an increase of 3 per cent in real terms. However, this increase arose mainly from the inclusion of the turnover of two companies bought in 1980 - Smith Brothers (Macclesfield) and W. H. White and Son.

The directors point out that although there has been a modest recovery in group sales since September, it has not yet been sustained long enough to give a reliable indication that the worst of the recession is over.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are intended or final and the subdivisions shown below are based mainly on last year's timetable.

TODAY Interim: Chispa-Tyler, Dale Electric International, Robert M. Douglas, Opvay, Hampson Industries, Mount, Leigh, Press Tools. Final: Merle Ford, General Funds Investment Trust, Hamilton Oil Great Britain, Imperial Group, Lonrho, River Plate and General Investment Trust, River and Mercantile Trust, Thermal Syndicate, Weber.

FUTURE DATES Interim - Secured Growth Trust Feb 19 United Real Property Trust Feb 17. Final: Bank and Portland Feb 17. Danish Bacon Apr 21. Metal Bulletin Feb 18. Royal Insurance Mar 1.

trading are apparent but the recovery of the company's customers is expected to be slow. During the year the company will see the integration of its new subsidiary, Walton Jigs and Tools, and the directors anticipate a useful contribution to profitability from this source.

Leaderflush expansion at halftime

MANUFACTURING efficiencies achieved in the new factory at Leaderflush (Holdings) have resulted in an improved pre-tax surplus, which rose from £44,584 to £105,232 for the six months to September 30 1981.

The company, which is a specialist door manufacturer, has a good order book, the directors say, and they expect the same level of profitability to be maintained in the second half.

The payment of dividends has been restored, with an interim of 0.7p. The last payment was a final of 0.55p in 1978. The directors say they are able to make the payment in view of the trading results and the satisfactory conclusion of the problems concerning certain share transactions referred to in the chairman's statement of October 1981.

Turnover for the half year also improved, rising from £91,312 to £105,232. Pre-tax profits were struck after lower interest of £20,861, compared with £40,726.

The medium-term loan which was arranged to purchase the new factory has been repaid and current account borrowings are also substantially reduced, say the directors.

Benn Brothers' profits advance

THE BENEFITS of reorganisation and of relocation are already becoming apparent at Benn Brothers, whose trading profits of this publisher of business journals, directories and reference books increased by 57 per cent in the half year to December 31 1981.

On higher turnover of £7.0m, compared with £6.4m, pre-tax profits rose from £360,000 to £384,000. These were struck this time after relocation and redundancy costs of £183,000.

Trading results which reflect the improvement in publishing performance in all areas of the business, underline the opportunity ahead for the group, especially when stronger market conditions return.

However, the directors say that trading results for the year are unlikely to show an increase corresponding to that achieved in the first half.

They explain that all companies within the group continue to face difficult operating conditions and there are no signs that

the recession is easing in the group's important markets. The disruptive effects of the severe winter and of continuing raft strikes must also have an impact.

The interim dividend is being stepped up from 1.1p to 1.3p, but the directors point out that the increase should not be taken as indicating a higher final, but it does reduce the disparity between the payments. Last year's total payment was 3.8p on pre-tax profits of £1.13m.

First-half trading profits were after charging £41,000 (nil) as the cost of the Centenary share bonus is paid.

Tax for the half year took £208,000 (£187,000). There was an extraordinary credit of £85,000 last time and after preference dividends of £42,000 (same) attributable profits were down from £198,000 to £182,000 (£4,000).

Earnings per 25p share were 2.1p, compared with 2p before extraordinary items, or with 2.9p after.

Allied Hambro new fund

Allied Hambro, a leading unit trust management group, is launching an American Special Situations Trust, the first fund to be launched since its takeover by Hambro Life.

The fund will be aiming for capital growth by investing in a wide spectrum of companies offering growth potential through recovery, such as smaller and merging growth companies, which are involved in the growth sectors of all and mineral exploration, high technology, communications and

medical research and in merger or takeover situations.

The trust will be available to investors as a "light unit trust investment" or as part of the Hambro Life equity fund. There is no intention to offer it as a single premium bond or a regular savings-life link.

Allied Hambro already has an American fund with a market portfolio of more conventional holdings. However, Mr John Gurney, manager of the new fund, feels that this fund will offer investors the opportunity to participate in a sector that promises exciting possibilities.

Progress for General Consol.

AFTER-TAX profits of General Consolidated Investment Trust rose slightly from £1.8m to £1.25m for 1981, from gross revenue of £2.14m, compared with £2.01m. Tax charge was up from £328,245 to £714,172.

Stated earnings per 25p share improved from 6.24p to 6.64p and the year's dividend is being lifted by 0.5p to 6.4p net, with a final of 4.15p (3.66p).

Net asset value per share was ahead from 139.6p to 154.9p.

Yearlings total £10m

Yearling bonds totalling £10.15m at 14 1/2 per cent redeemable on February 16 1983 have been issued this week by the following local authorities:

- Bromsgrove DC £0.5m; High Peak (Borough of) £0.5m; Vale of White Horse DC £0.75m; Wansbeck DC £0.15m; Wellesbourne DC £0.25m; Metropolitan Police District (The Receiver For The) £0.5m; Hillingdon (London Borough of) £0.5m; Scarborough (Borough of) £1m; Sefton Metropolitan BC £1.5m; Tameside Metropolitan BC £1m; Tendring DC £0.5m; Merseyside Passenger Transport Executive £1m; Newport BC £1m; Preston BC £1m.

Countryside optimistic

Considerable further progress, with the current year providing "a step along this path" is anticipated by Mr Alan Cherry, chairman of Countryside Properties, in his first annual statement.

He says about £7m of profits can be earned by the group before encountering mainstream corporation tax liability because of available tax losses arising largely from stock appreciation relief. This, together with the relief on advance corporation tax, produces a deferred asset of £1.2m which is not included in the balance sheet.

During the year to end September 1981, Countryside's

clearing bank loan limits were increased, while group borrowings were substantially reduced from £8.6m to £5.8m. Considerable bank loan facilities are therefore available to assist further expansion, says Mr Cherry.

As reported on January 20 1982, pre-tax profits for the year to September 30 1981 improved from £903,000 to £1,323m. Current assets were lower at £12.82m compared with £14.56m. Net current assets were £5.02m (£4.28m). At year-end shareholders' funds stood at £2.94m (£2.8m).

Meeting: Winchester House, London Wall, EC, March 9, at 11 am.

Christie's. Now an even better bid. Only Christie's has made a significant reduction, following the recent public commitment to review auction charges. By reducing the Buyer's Premium by a fifth - from 10 per cent to 8 per cent - Christie's now offers the most competitive rates of any international auction house.

Typical Dutch? Picturesque houses, tulips and windmills are typically Dutch indeed. But so are 14 million modern people with a huge spending power. Here is something about the media that reach these people. The Netherlands of the eighties is more than the fairy tale country that some tourists still expect to find. The Netherlands prove repeatedly to be a lot greater than its geographical size would suggest.

APPOINTMENTS

Senior post at PO Superannuation Fund

Mr Frederick Reeder has been appointed director of property investment of the POST OFFICE STAFF SUPERANNUATION FUND. Mr Reeder, who is an executive director of Commercial Union Properties and chairman of Commercial Union Properties (UK), will take up his new post on March 1. He succeeds Mr David Jackson who has emigrated to New Zealand and is acting as the Fund's representative in Australasia.

Mr Christopher Street has been appointed managing director of MARDON FLEXIBLE PACKAGING, Mid-somer Norton. He remains technical director.

Mr J. M. F. Padovan, a non-executive director of AEA INDUSTRIES, is resigning due to increasing pressure of business as chief executive of County Bank. The bank will remain advisers to the company. Mr R. M. Mitchell, managing director of Airoil-Faragas, an AEA industrial subsidiary, has been appointed to the board of the holding company.

Mr Peter J. Holdstock has been appointed vice-president, operations, Europe and South Africa

for the BOSTIK chemical group of Emhart Corporation. He was previously chief executive of the electric motor division of Newman Industries at Yate, Bristol.

Mr Patrick S. Collins has been appointed managing director of CHARLES FULTON (FINANCIAL FUTURES).

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Dollar eases

The dollar was slightly easier yesterday as the market digested statements made by Mr Paul Volcker, chairman of the U.S. Federal Reserve. Initial reactions that money supply growth could be allowed to reach the upper half of the target range may have undermined the dollar.

Sterling was slightly firmer overall, gaining ground against the dollar but easier against European currencies.

The French franc improved within the European Monetary System yesterday and remained the strongest currency. The Belgian franc weakened and remained within its divergence limit.

DOLLAR - Trade weighted index (Bank of England) 112.1 against 112.4 on Tuesday and 113.5 six months ago. Three-month Treasury bills 15.15 per cent (15.75 per cent six months ago). Annual inflation 8.3 per cent (8.1 per cent previous month).

The dollar closed at DM 2.3660 against the D-mark down from DM 2.3750 on Tuesday and SwFr 1.9025 against the Swiss franc. It was also weaker against the Japanese yen at Y236.25 from Y236.60.

STERLING - Trade weighted index 91.6 against 91.7 at noon, Tuesday, and 91.5 at the close. Three-month interbank (14.5 per cent six months ago). Annual inflation 12 per cent (unchanged from previous month).

Sterling opened at \$1.8475 against the dollar, fell away later in the day to close at \$1.8470-1.8480, still a rise of 55 points. Against the D-mark it finished at DM 4.3750 on Tuesday and SwFr 3.5175 on Tuesday.

SWISS FRANC - Trade weighted index 151.7 against 151.2 on Tuesday and 153.5 six months ago. Three-month Treasury bills 15.15 per cent (15.75 per cent six months ago). Annual inflation 8.3 per cent (8.1 per cent previous month).

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THE POUND SPOT AND FORWARD

Table with columns: Day's change, Close, One month, Three months, Six months. Rows include US, Canada, Netherlands, Belgium, Denmark, Ireland, West Germany, Portugal, Spain, Italy, Norway, Sweden, Japan, Swiss.

THE DOLLAR SPOT AND FORWARD

Table with columns: Day's change, Close, One month, Three months, Six months. Rows include US, Canada, Netherlands, Belgium, Denmark, Ireland, West Germany, Portugal, Spain, Italy, Norway, Sweden, Japan, Swiss.

CURRENCY MOVEMENTS

Table with columns: Bank of England, Morgan Guaranty, etc. Rows include Sterling, U.S. dollar, Canadian dollar, etc.

OTHER CURRENCIES

Table with columns: Argentina, Australia, Brazil, etc. Rows include Argentina, Australia, Brazil, Canada, etc.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, % change, % change from previous month, % change from previous year. Rows include ECU, French franc, etc.

EXCHANGE CROSS RATES

Table with columns: Pound Sterling, U.S. dollar, etc. Rows include Pound Sterling, U.S. dollar, etc.

FT LONDON INTERBANK FIXING (11.00 a.m. FEBRUARY 10)

Table with columns: 3 months U.S. dollars, 6 months U.S. dollars. Rows include 3 months U.S. dollars, 6 months U.S. dollars.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Table with columns: Feb. 10, Sterling, U.S. dollar, etc. Rows include Short term, 7 days notice, 1 month, etc.

MONEY MARKETS

London clearing bank base lending rates this morning but sold (since January 25) firmer in the London money market yesterday, although the shorter periods eased a little in reaction to the more than adequate supply of day-to-day credit.

Interest rates were slightly firmer in the London money market yesterday, although the shorter periods eased a little in reaction to the more than adequate supply of day-to-day credit.

There was little change in the houses' buying rates for bills, with three-month Treasury bills and three-month eligible bank bills steady at 13 1/2 per cent.

In the morning the Bank of England forecast a surplus in the region of £100m, and said that the major factors were bills maturing in official hands and a market take-up of Treasury bills.

The authorities did not operate in the money market this morning but sold £100m Treasury bills at 13 1/2 per cent in the afternoon.

At the same time the surplus of £100m forecast in the morning was amended to £50m. In Paris cash money fell to 14 1/2 per cent from 14 1/4 per cent on Tuesday, and 14 1/2 per cent on Monday.

Overnight rates were little changed, with call money and period rates at 10 1/2 per cent. A new three-month

GOLD

Board chairman, appeared to have little effect on trading. In Paris the 12 1/2 kilo bar was fixed at FF 73,500 per kilo (\$380.53 per ounce) in the afternoon, compared with FF 73,750 (\$381.03) in the morning and FF 72,950 (\$376.58) on Tuesday afternoon.

Gold rose 2 1/2 ounces in the London bullion market yesterday, to finish at \$381.3824 and traded at \$381.1824 and closed at \$381.3824 before finishing at the day's low of \$378.381. In Zurich gold finished at Paul Volcker, Federal Reserve \$381.384.

Table with columns: Feb. 10, Feb. 9. Rows include Gold Bullion (1000 ounces), Gold Bars, etc.

quota period begins in one provided to inject market weeks' time, when the Dutch central bank will make known the amount of assistance to be

in Frankfurt the 12 1/2 kilo bar was fixed at DM 39,235 per kilo (\$381.3824) in the afternoon, compared with DM 39,100 (\$379.80) in the morning and closed at \$381.3824 before finishing at the day's low of \$378.381. In Zurich gold finished at Paul Volcker, Federal Reserve \$381.384.

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OFFSHORE & OVERSEAS FUNDS

S.E. Europe Obligations S.A. 1 Avenue de la Liberte, Luxembourg. US\$43.89 -1.10 1.07

Barbican Managers (Jersey) Ltd. P.O. Box 53, St. Helier, Jersey. Barbican Fund, 111.9 -12.14

Brown Shipley Ltd. (Jersey) Ltd. P.O. Box 503, St. Helier, Jersey. Brown Shipley Fund, 111.9 -12.14

Capital Assets Management Ltd. Channel Islands, St. Helier, Jersey. Capital Assets Fund, 111.9 -12.14

Central Assets Management Ltd. Channel Islands, St. Helier, Jersey. Central Assets Fund, 111.9 -12.14

Delta Group P.O. Box 3012, Nassau, Bahamas. Delta Group Fund, 111.9 -12.14

DWS Deutsche Gen. Fr. Wertpapiere P.O. Box 113, 6000 Frankfurt. DWS Fund, 111.9 -12.14

Leopold Joseph & Sons (Guernsey) 4 Hill Street, St. Peter Port, Guernsey. Leopold Joseph & Sons Fund, 111.9 -12.14

Free World Fund Ltd. Booterfield Bay, Hamilton, Bermuda. Free World Fund, 111.9 -12.14

Guinness Mahon Ptd. Mgrs. (Guernsey) 20 Victoria Road, St. Peter Port, Guernsey. Guinness Mahon Fund, 111.9 -12.14

Henderson Admin. (Guernsey) Ltd. 7 New St., St. Peter Port, Guernsey. Henderson Admin. Fund, 111.9 -12.14

International Bond Trust 20 Victoria Road, St. Peter Port, Guernsey. International Bond Trust Fund, 111.9 -12.14

Quest Fund Mgrs. (Jersey) Ltd. P.O. Box 194, St. Helier, Jersey. Quest Fund, 111.9 -12.14

Richmond Life Ass. Ltd. 4 Hill Street, Douglas, I.M. Richmond Life Ass. Fund, 111.9 -12.14

Save & Prosper International 4 Hill Street, St. Peter Port, Guernsey. Save & Prosper Fund, 111.9 -12.14

Schroder Life Group 20 Victoria Road, St. Peter Port, Guernsey. Schroder Life Group Fund, 111.9 -12.14

Sigmal Life Assurance Co. Ltd. 20 Victoria Road, St. Peter Port, Guernsey. Sigmal Life Assurance Co. Ltd. Fund, 111.9 -12.14

Strategic Metal Trust Mgrs. Ltd. 3111 Street, Douglas, I.M. Strategic Metal Trust Mgrs. Ltd. Fund, 111.9 -12.14

Swire (Jersey) Ltd. 20 Victoria Road, St. Peter Port, Guernsey. Swire (Jersey) Ltd. Fund, 111.9 -12.14

Tobacco & Cigarette Mfrs. Ltd. 20 Victoria Road, St. Peter Port, Guernsey. Tobacco & Cigarette Mfrs. Ltd. Fund, 111.9 -12.14

U.K. & C. (Jersey) Ltd. 20 Victoria Road, St. Peter Port, Guernsey. U.K. & C. (Jersey) Ltd. Fund, 111.9 -12.14

Windsor Investment Services Ltd. 20 Victoria Road, St. Peter Port, Guernsey. Windsor Investment Services Ltd. Fund, 111.9 -12.14

Worldwide Growth Management 10, Boulevard Royal, Luxembourg. Worldwide Growth Management Fund, 111.9 -12.14

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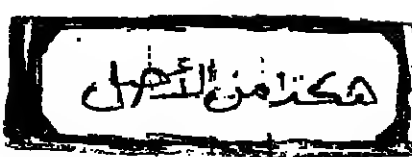
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Companies and Markets

INTERNATIONAL COMPANIES and FINANCE

Mobil signals bid ambitions with share purchase plan

BY IAN HARGREAVES IN NEW YORK

MOBIL, the large U.S. oil company which failed in the last year to take over Amoco and then Marathon Oil, confirmed indirectly yesterday that it was still interested in acquisitions.

The company said it would "from time to time" buy back its own shares in the open market or in private transactions in order to build up a supply of shares to use in its employee benefit programmes and "for acquisitions and for general corporate purposes".

Mobil has more than 425m common shares outstanding and they closed on Tuesday at \$21.50, their lowest level for a year.

Mobil obviously feels that its shares are greatly undervalued and before it can do as part of any bid would want them to find a higher value in the market.

Lower final quarter earnings at Goodyear

By Our New York Staff

GOODYEAR TIRE and Rubber, the largest U.S. tyre company, yesterday reported a sharp drop in fourth-quarter profits although earnings for all 1981 were higher.

The company's net earnings were \$48m in the quarter on sales of \$2.25bn, down from profits of \$78.8m on sales of \$2.21bn in 1980.

The fall reflected weakness late in the year in most of Goodyear's markets, although the drop in earnings was sharpest in Europe because of the recession and in the Asia-Pacific region, where although sales improved profit margins were undermined by Japanese competition.

For the year, Goodyear's net profit totalled \$260.3m on sales of \$9.15bn, up from \$230.7m on sales of \$8.44bn. Per share profits were \$3.59 against \$3.18.

Robert Gibbens and William Hall report on the progress of an unconventional shipper Mr Narby hoists the storm cones

MR FRANK NARBY, the founder of the Cast shipping group, which is now in talks with its bankers about its future financing needs, is an unconventional operator who shuns the cosy liner shipping conferences which fix freight rates.

He plans to double his container shipping capacity on the North Atlantic by mid-1983 and has made a major commitment to combination carriers, which can carry both oil and dry cargo and are more versatile as a result.

The nine new ships which are due to be delivered over the next couple of years are highly fuel efficient, and will give their owners a considerable competitive edge.

However, Mr Narby's plans have run into difficulties on both the container shipping side and the bulk carrier operation.

World trade is depressed, which is reducing container movements, and freight rates have slumped to only a quarter of last year's levels in some cases. All this has occurred at a time when interest rates are rising. This is not the best background for an owner in the midst of a \$700m expansion programme.

Until 1977 Cast had expanded by chartering vessels to build its North Atlantic bulk and con-

EUROCANADIAN INVESTMENTS SINCE APRIL 1979

Table with 2 columns: Investment type and amount. Includes 7 second-hand oil/bulk/ore carriers, 3 150,000 dwt combination carriers, etc.

bound containers and eastbound bulk cargo and could undercut the well established competition.

Soon he was seeking much higher volume to justify investing in his own larger bulk and container vessels. He tried for several years to get control of Manchester Liners, one of the pioneers in the container shipping field, and its parent company, the Furness Withy Group.

However, he was constantly thwarted in this ambition by the established shipping lines and finally by the British Monopoly Commission, and in 1980 the Hong Kong's CY Tung shipping group took control of Furness Withy.

Cast sold its shares in both Furness Withy and Manchester Liners at a profit, which Mr Narby used as a base for his \$700m expansion programme designed to take his total fleet to close to 4m dwt by the mid 1980s.

Mr Narby for the past 10 years has divided his time between Montreal, London and Switzerland. He has always remained a controversial figure because of his public criticisms of the management of other shipping companies, but also because of his determination to undercut his competition and extend his container shipping system to tap the market in the central and southern U.S.



Mr Frank Narby, founder of Cast shipping group

veloped much more slowly than he thought.

In the mid-1970s the Canadian Government owned Canadian National Railways bought an 85 per cent interest in EuroCanadian, and had an option to increase this proportion to about 26 per cent by the end of last year. This would have increased EuroCanadian's equity base. However, CN decided not to exercise its option.

Mr Narby has placed many of his bets on the large combination bulk carrier, which can carry oil and dry bulk cargoes. He believes this is the ship of the future which will play an important part in the growth of the coal trades. This type of vessel, plus new larger container ships, make up the bulk of his \$700m expansion. To support his expanded fleet he bought the Seatrain Lines offices and staff, but because of the recent depression in world shipping rates, he has closed many of these down.

Against a background of depressed shipping rates, Mr Narby now has to finance the key \$200m portion of this expansion, three 150,000 dwt combination vessels being built in South Korea for the Cast group.

In more normal times, Cast would have expected to pay for the ships from cash flow. However, Cast now is negotiating a syndicated loan to cover between 50 per cent and 60 per cent of their capital cost. The first ship is being delivered in June or July.

Cast said in Montreal that the six container bulk vessels being built in Yugoslavia have already been financed, largely by traditional shipyard credits.

It also said that the total assets of the Cast group are around C\$500m (U.S.\$420m) and outstanding loans from the Bank of Montreal, Royal Bank of Canada and Chemical Bank of New York, totalling C\$130m represent normal short-term finance.

Renault injects \$32m into American Motors

BY OUR NEW YORK STAFF

RENAULT, the French motor company, is moving deeper into American Motors (AMC), the fourth largest U.S. motor manufacturer, by paying \$32.5m for a slice of American Motors' preferred stock and warrants for some common shares.

The deal is the final part of Renault's agreed transfusion of \$500m into American Motors—a deal which has already given Renault 44.4 per cent of American Motors and which could lift the French company exercised all its stock options, take that share to more than 56 per cent.

The two companies have sought to play down the growing direct encroachment of Renault into AMC's affairs, but since the appointment of a

Renault injects \$32m into American Motors

Renault man, Mr Jose Dederuwerders, as AMC president, and the continuing growth of Renault's financial commitment, these arguments appear increasingly unconvincing.

In one respect, however, Renault is keeping its distance. It has refused, in spite of pressure from AMC's banks, to directly underwrite AMC's bank debt.

However, in June an American version of Renault's R9 model will begin rolling out of AMC's plant at Kenosha, Wisconsin.

The latest transaction involves Renault buying 1.18m preferred shares in AMC and a warrant for the purchase of 4.6m common shares.

This improvement, however, was entirely attributable to better foreign currency translation figures under the terms of the recently announced changes in U.S. accounting standards.

These changes benefited Goodyear's 1981 net profit by \$51.4m, but reduced the final quarter contribution by \$13.4m. For tax benefits also aided annual profits by \$16m.

The U.S. contributed \$189m of Goodyear's 1981 profits compared with only \$64.9m in 1980. This, said Mr Charles Pilliod, the chairman, was a result of improved market share in the original equipment market and the benefits from capacity reductions.

Outside the U.S., Goodyear earned \$91.5m on sales of \$3.88bn compared with \$165.8m on sales of \$3.85bn in 1980.

Outside the tyre sector, Goodyear said that its aerospace interests had record orders and reported record profits.

\$300m zero-coupon Eurobond for Gulf Oil

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

THE FASHION for zero-coupon issues continued to dominate the Eurobond market yesterday with a \$300m 10-year issue for Gulf Oil.

Led by Dean Witter Reynolds, Deutsche Bank and UBS (Securities), the bonds were priced at 25.82 per cent to yield 14.5 per cent.

This was the only issue launched yesterday, in a market where trading volume was rather thin and investors are becoming uncertain about the future trend of interest rates.

The New York bond market was slightly firmer by the close of business in Europe, but dollar Eurobonds still showed

China set to borrow from the West

By Our Financial Staff

CHINA PLANS to tap the international capital market for dollars, Swiss francs and Deutschmarks. D-marks following its recent placement of yen bonds in Japan.

The Peking English-language newspaper quoted Lei Renmin, deputy general manager of the China International Trust and Investment Corporation, as saying "the bonds will be issued on Japanese, European, American and Asian markets in the light of needs".

He gave no indication of the size of the planned bond issues.

Increased foreign profits keep Cummins in black

BY OUR NEW YORK STAFF

HIGHER PROFITS from its overseas operations kept Cummins Engine, the large U.S. diesel-engine specialist, in the black in the fourth quarter of 1981.

Net income for the quarter was \$16.1m, up from last year's \$11.4m despite pre-tax losses in North America of \$11m. The quarterly earnings included a tax credit of \$9.7m and foreign currency losses of \$3.7m. Sales were up from \$439.9m to \$454.7m.

For all of 1981 Cummins net earnings were on sales of \$1.96bn, against a loss in 1980 of \$10.9m on sales of \$1.66bn. Per share profits were \$13.24

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FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices which will be published next on Tuesday February 16.

Table of international bond issues with columns for U.S. Dollar, Issued, Bid, Offer, Day, Week, Yield.

Table of international bond issues with columns for SOFTE, Bid, Offer, Day, Week, Yield.

Table of international bond issues with columns for DEUTSCHE MARK, Issued, Bid, Offer, Day, Week, Yield.

Table of international bond issues with columns for DEMONSTRABLE, Conv. Conv. date, Bid, Offer, Day, Week, Yield.

Table of international bond issues with columns for YEN STRAIGHTS, Issued, Bid, Offer, Day, Week, Yield.

Table of international bond issues with columns for OTHER STRAIGHTS, Issued, Bid, Offer, Day, Week, Yield.

Room for poorer nation funding

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

MAJOR BORROWERS in developing countries should be able to go on raising funds in the international capital markets despite the growing caution of lending banks, according to Professor Geoffrey Maynard, director of economics at Chase Manhattan Bank.

There was evidence to suggest that countries have made better use of the funds borrowed so far than commentators gave them credit for, he told the Financial Times conference on the Euromarkets.

These countries were slower to cut their balance of payments deficits after the oil price rises of the last decade than many industrial countries, he said, but this was because they stepped up investment levels relative to gross national product (GNP), whereas industrial countries tended to curb investment spending.

This implied that their heavy borrowings were not all wasted on consumption but used to add some real net worth at home. By contrast, it could be argued that banks should have more concern for the credit

equity participation which may develop in the next few years.

Dr Manfred Meier-Preschauer, managing director of Dresdner Bank, warned against the dangers of national authorities imposing discriminatory barriers on their own banks.

Discussing the proposed changes in German banking legislation, he said the debate in Germany was not over consolidation of balance sheets, but whether the changes proposed would unduly restrict the international effectiveness of German banks' restrictions which could have incalculable repercussions.

Unquestionably, the current regulatory trends were already causing German banks to focus more on markets where above average profits could be obtained and to emphasise quality instead of quantity in their international activities, he said.

Mr K. Egashira, chairman of Nomura International, said that the internationalisation of the unit had proceeded steadily since 1978, but still had some way to go and that the pace

would depend on how far domestic restrictions were eased.

The Japanese authorities now seemed to be pursuing a "balanced internationalisation policy" akin to that applied by Switzerland, he said.

The yen was increasingly being used to settle trade transactions in Asia while demand for yen assets by investors and central banks from the more advanced countries was likely to increase.

Last year, foreign purchases of Japanese bonds reached \$24.3bn, and sales \$18.5bn—figures which were more than 10 times the level of 1976.

Mr Lawrence Wragg, executive director of Chemical Bank International said the commercial use of the special drawing right (SDR), the currency basket of the International Monetary Fund, was growing. The unit had demonstrated wide acceptance in commercial markets during 1981.

The steadily growing number of documented transactions and the potential for further ones suggested that it would have a

continuing and growing role to play in the Euro-markets in the years ahead.

Mr Maurice Armand, director of the international finance department of Credit Lyonnais, traced the development of currency baskets against the background of exchange market unrest over the past decade.

He stressed the importance of the European currency unit (ECU), the development of which was intimately linked to the emergence of the European Monetary System.

There had been five international bond issues at fixed rates of interest denominated in ECU's over the past year, he said. This still left it with a very modest share of total international bond market activity, and there were some disadvantages related to its use.

Construction slump hits Lone Star

By Our Financial Staff

THE CONTINUING recession in the construction industry, brought about by "unusually high interest rates," has hampered operating results at Lone Star Industries, the largest U.S. cement producer.

Net earnings for fiscal 1981 slipped from \$59.2m to \$56.1m, or \$4.52 a share. Sales edged higher from \$909.5m to \$917.6m.

The final quarter brought a gain in net earnings from \$15.9m to \$15.3m but Mr James Stewart, the chairman, admitted that hurt for the sale of tax benefits, which he declined to specify, the net total would have shown a fall. Sales fell in the quarter by 16 per cent to \$219.7m.

Mr Stewart commented that it was difficult to predict the turning point in the construction industry, "primarily because of the erratic high interest rate policy of the Federal Reserve Board." However, when a turnaround came, Lone Star would be "strongly positioned" to take full advantage.

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GAF Corporation advertisement for Reprographics Business, featuring Aarque Office Systems, Inc. and Morgan Stanley & Co. Incorporated.

FINANCIAL TIMES The Euromarkets in 1982 CONFERENCE

Vertical text on the left margin: February 11 1982, AND FORWARD, CURRENCY UNIT, AND FORWARD.

Rupert Cornwell reports on the group symbolising Italian cars Alfa strives to stay on the road

"OUR TROUBLE is our name," says Sig Corrado Innocenti, managing director of Alfa Romeo. "It always makes news." And the news lately from the company, whose name more than any other, perhaps, symbolises for the world the Italian way with motor cars, has been bad.

In recent months lay-offs, production cuts and losses have produced a rash of headlines proclaiming that Alfa's last chance was at hand, and indeed questioning its very prospects of survival as an independent concern. All has been thrown into starker relief by the unmistakable recovery taking shape at Fiat, the biggest Italian car manufacturer, which less than two years ago itself was peering into the abyss.

Nor are Alfa's difficulties a novelty. The state-controlled group, a subsidiary of IRI, the public sector conglomerate, has been making losses since 1973. In the generally favourable year of 1980, its northern operations at Arese, near Milan, where the more powerful Alfetta and Giulietta models are produced, returned to the black. But that tiny profit of L1bn (\$790,000) was swamped by a L76bn deficit at Alfasud, and the problem-plagued plant at Pomigliano d'Arco, near Naples.

Last year's figures have not been finalised. But the downturn in international car markets, especially outside Italy, meant that production dropped by about 5 per cent from 1980's 220,000 units. Sales declined by 5 per cent by volume, although in money terms they climbed by about 6 per cent to the equivalent of \$1.6bn. Results, says Sig Innocenti, will be "slightly worse" than in 1980.

Broadly Alfa's troubles have been threefold: one international, one national, and one very much its own. Throughout the world, car companies have been having a hard time, and to a large extent Alfa's fortunes are tied up to a mirage-like upturn in global demand.

Even the Italian market, the only one in Western Europe to grow last year, is likely to be weaker in 1982, and Sig Innocenti sees little chance of a real recovery before 1983. Matters have been made worse by the price problems suffered by Italian motor companies, as the lira's membership of the European Monetary System (EMS) has prevented higher inflation and costs from being offset by a depreciation of the exchange rate.



Beset by a myriad of problems—both structural and operational—Alfa Romeo, once a symbol of Italian motorised virility, is battling to preserve its credibility at a time when the industry worldwide is being severely squeezed

West German manufacturers in particular have been helped by an undervalued D-mark, as competition intensified for a bigger slice of the still-growing Italian market. It has been no coincidence that while Alfa's share of domestic deliveries dropped from 7 per cent to 6.5 per cent in 1981, those of its direct rivals, BMW, Audi and Mercedes, grew between them by about the same amount.

For similar reasons export sales have been "a disaster," in Sig Innocenti's words. "The real issue was: either inflation had to come down in Italy, or we had to push productivity up." Belatedly there are signs of improvement on the first front. It is on the second that Alfa has been forced to act, although long after other major manufacturers.

Fiat's own cure began in autumn 1980, when it won a battle to lay off 23,000 workers, many of whom will never return to its car plants. Now Alfa has adopted, in relative

government. The term is less dramatic than it sounds, and basically entitles it to even more state aid to pay laid-off workers.

That, however, is only a first step. Another means of improving both productivity and quality will be the system of "work groups" shortly to be introduced at Alfa's plants. Instead of the old-fashioned assembly line, groups of 10 to 15 workers will interchangeably carry out a similar number of functions. The result should be more varied and interesting work for the workers and a chance to develop greater skills.

The other key to its future are the co-operation agreements with Nissan of Japan and Fiat. On its own, Alfa is planning to invest L1,700bn in the next five years, with some help probably from the special fund for technological innovation just approved by the Italian Parliament. That alone, however, will not be enough. Near Avellino in southern

Italy the plant of Arna, the jointly owned company of Alfa and Nissan, is under construction. The first cars will emerge from its production lines in the second half of 1983. By 1985 output will be running at the target of 60,000 units a year, lifting Alfa's overall capacity to 300,000 units or more.

Long before that however, by the spring of this year, Sig Innocenti hopes to have signed a technical agreement with Fiat for the joint purchase and/or production of certain large components, including gearbox, transmission, and suspension equipment. The importance of the deal is as symbolic as it is practical.

Above all the deal epitomises the awareness of the two groups that times are too serious to continue the pointless, costly unwillingness to collaborate. No one fought the Alfa-Nissan link more bitterly than Fiat: but economies of scale are essential for the Italian motor industry as for any other, and joint ventures in the components field are the most obvious answer.

The fruits could have a major bearing on the improvements to Alfa's model range planned over the next four years. In that period, apart from the new Alfa-Nissan small and medium-sized cars, the company plans to introduce a new range of Alfettas and Alfasuds, and give a big facelift to the wedge-shaped Giulietta model.

But Sig Innocenti—as well as Fiat for that matter—is adamant that co-operation will not be a first step on the road to the takeover of Alfa by its bigger Italian brother.

"There will be no financial links, Alfa Romeo will continue as a sovereign, independent company," he insists, even though the date of its return to overall profitability has been pushed back by the general motor industry slump. "Alfa Romeo has its own character," he says. "If we were combined with Fiat, then Italy in the end would be the loser."

Deutsche Babcock lifts income and payout

By Kevin Done in Frankfurt

DEUTSCHE BABCOCK, the West German power station, plant construction and mechanical engineering group, is increasing its dividend for 1980-81 by 50 per cent to DM 4.50 per share after a big improvement in profits.

For 1979-80, the group had been forced to cut its dividend to DM 3 from the long-established level of DM 8 paid for most of the 1970s, after major losses on a big power station contract in Kuwait.

Provisions made for the Kuwait order and losses on some other overseas contracts depressed the after-tax profits of the parent company to DM 15.6m (\$6.5m) in 1979-80. Yesterday, however, Deutsche Babcock reported parent company profits up 48 per cent to DM 23.1m for the year ended September 1981.

No details were given yesterday of group profits, but these are understood to have risen by as much as 80 per cent from the depressed 1979-1980 level of DM 24.1m.

New orders booked last year rose to DM 6.5bn, an increase of 22 per cent, boosted by a 30 per cent rise in foreign orders. Contracts booked outside West Germany were worth DM3.7bn, 57 per cent of the total order intake.

Group sales increased by 12 per cent to DM 5.6bn with 60 per cent of the turnover derived from work gained abroad. Order books at the end of September were worth DM 11.3bn, a rise of 10 per cent from a year earlier.

In recent years Deutsche Babcock has been following a consistent strategy of expanding into new overseas markets, while at the same time acquiring new product lines in order to reduce its exaggerated dependence on the market for conventional and nuclear power stations.

Argentine and UK losses keep Peugeot in the red

BY TERRY DODSWORTH IN PARIS

PEUGEOT, the French motor group, pulled back out of the red in all of its French manufacturing operations last year after a succession of production cuts and heavy 1980 losses.

But the group expects to run up a consolidated deficit of about FFr 1.3bn (\$217m) for the whole of its activities, mainly because of difficulties in its Argentine and UK subsidiaries.

The losses show a slight improvement compared with the FFr 1.5bn deficit in 1980, while turnover rose marginally, to FFr 72bn from FFr 71bn in the previous year.

The upturn in the group's French activities means that both the Automobiles Peugeot division, which now includes the Talbot activities, and Automobiles Citroën, pulled out of losses in their domestic business. But Citroën incurred a heavy loss of around FFr 400m overseas, much of it in Argentina.

The group's overseas problems may have been partly resolved by its decision to pull out of Argentina, for which it made provisions, of about FFr 1bn in the first six months of 1981. For the current year, the

group said yesterday, there should be no further financial exposure in Argentina. But the company will still have to inject new money into its UK operation, where the cost of closing the Talbot Linwood plant is not fully covered, and where it is still spending on factory re-organisations in Coventry.

After a further difficult year for car volume sales in France, in 1981, when the Peugeot-Talbot marques sales dropped by almost 17 per cent, and Citroën's by 3.9 per cent, the group claims to be recovering.

JVC plans West German plant

BY RICHARD C. HANSON IN TOKYO

JVC (Victor Company of Japan), originator of the VHS system for home video tape recorders, is to invest DM 15m (\$6.3m) in a wholly-owned West German subsidiary to produce video tape cassettes near Dusseldorf.

This will be the first Japanese-owned video cassette plant in Europe, where demand for video equipment is strong. And it is only the second time JVC, a subsidiary of Matsushita Electric Industrial, has ventured abroad with a production plant.

Last year, JVC signed agreements with Thoro EMI and Telefunken to form a holding company to manufacture video consumer products in Europe. Thomson-Brandt had originally

intended to join the group, but dropped out.

JVC's West German cassette company, JVC Magnetage GmbH, is expected to start production in the spring of 1983. The initial annual capacity is to be 3m cassettes, rising eventually to 10m per annum.

JVC plans to import the video tape itself from Japan. The new plant with a total of 100 employees (including about 10 expatriates), will mould the plastic cassette shells and components and assemble the cassettes. The plant is to be located in Mieschingenbach, about 30 km west of Dusseldorf.

West Germany, according to JVC, has emerged as the centre of demand in the European video market. Europe in total will account for about 30 per cent of the estimated demand worldwide of 17-18m cassettes this year. JVC's capacity from this spring will rise to about 42m cassettes per annum.

JVC has bought a building in Japan's other large electronics companies, and decided now on a long-term strategy in the video cassette field of locating production plants in the consumer markets.

It has not yet been determined how much of the plant's output will be sold in West Germany, but JVC believes there will be no problems meeting local content requirements in exporting with the VHS system, though the video tape will be imported.

Atlas Copco scrip issue as profits top forecast

BY WILLIAM DUFFORCE, NORDIC EDITOR, IN STOCKHOLM

ATLAS COPCO, the Swedish compressed air and hydraulic machinery group, yesterday reported a 29 per cent advance in earnings to SKr 570m (\$100m), surpassing an earlier forecast by Mr Tom Wachmeister, the managing director.

The Board proposes a one-for-four scrip issue and a dividend of SKr 6 a share on the expanded capital. This adds up to a total dividend payment of SKr 124m against SKr 108m on the 1980 account.

Group sales were SKr 7,480m (\$1.3bn), a rise of 20 per cent,

of which five points is stated to be in volume. The order intake was 19 per cent larger and the order book at the end of the year was 17 per cent ahead of SKr 1.2bn.

The profit gain derives largely from tighter control of costs, which rose by SKr 98m against the SKr 126m growth in sales.

Net financial costs moved from SKr 235m to SKr 350m. Currency movements contributed SKr 30m to the pre-tax profit, SKr 3m less than in the previous year.

Air France hotels chain ahead

BY OUR PARIS STAFF

MERIDIEN, the luxury hotels chain owned by Air France, the French nationalised airline, increased pre-tax profits to FFr 18m (\$3m) last year from FFr 10m in 1980. Turnover rose by about 33 per cent to FFr 1.5bn.

Under a programme of rapid expansion, the group opened

seven new hotels in 1981, ending the year with 38 hotels and about 12,000 rooms under its management. It plans a further 15 projects, with the emphasis this year on the Middle and Far East. Two four-star hotels will be opened in Hong Kong, one in Delhi and another in Baghdad.

Belgian state financing down in 1981

By Giles Merritt in Brussels

BELGIUM'S Societe Nationale d'Investissement, the State's industrial financing and development agency, revealed yesterday that the effects of recession and high interest rates had reduced its investments last year to only two-thirds of those in 1980.

SNI, which provides Belgian state financing for both big and small companies, reported that last year its investments were limited to 18 different concerns, and totalled BFF 1,070m (\$265m) against a comparable figure for 1980 of BFF 2,450m. Since it was set-up in the early 1960s, SNI has sunk a total of almost BFF 18bn in 444 companies.

Mr Henri Neuman, president of SNI, noted yesterday that high production costs in Belgium, sharpened international competition and the recessionary slow-down had combined with high interest rates to reduce the number of viable investment projects.

Net profits on the group's portfolio amounted to BFF 300m, as against BFF 331m

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December 1981

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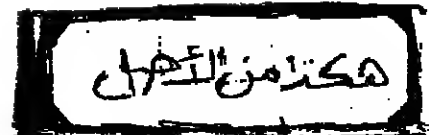
through a series of domestic and overseas leveraged buyouts.

We acted as financial advisor to Aarque Office Systems, Inc. and assisted in the negotiations relating to this transaction.

CITICORP INTERNATIONAL GROUP

January, 1982

مكتب من النجف



New York listing for Hitachi

By Richard C. Hanson in Tokyo
Hitachi, Japan's largest integrated general electrical machinery maker, announced yesterday that it will list its shares on the New York Stock Exchange by mid-April.

Sappi earnings increase as productivity rises

By Jim Jones in Johannesburg
SAPPI, the South African pulp and paper maker, increased operating profits by 35.7 per cent to R80m (\$81m) in 1981 from R59m in 1980.

Apart from the benefits of improved productivity, profits were helped by an upturn in profitability of the Slangur mill which had been affected by serious drought in Natal.

Bank of East Asia lifts net profits

By Our Hong Kong Correspondent
BANK OF EAST ASIA yesterday launched the Hong Kong bank reporting season, with the announcement of a 38 per cent rise in net profits to HK\$181.61m (US\$20.7m), after tax and transfers to reserves.

Further progress for Wardley

By Our Hong Kong Correspondent
RECORD stock market fundraising and high loan demand boosted the net profit of Wardley, the wholly-owned merchant banking arm of the Hongkong and Shanghai Bank.

Mr Roy Munden, the chairman, said that 1981 was a year of further progress, both locally and overseas.

Cross-Harbour Tunnel to pay higher dividends

By Our Hong Kong Correspondent
HONG KONG'S Cross-Harbour Tunnel Company, which was the subject of fierce criticism from motorists earlier this month over possible fare rises, has announced earnings after tax for the year ended December 31 of HK\$ 144.8m (US\$ 24.6m).

Cross-Harbour Tunnel to pay higher dividends

The Board of directors, who this month rejected a series of measures proposed by Hong Kong Automobile Association to cut down delays and affect the likelihood of further increases in fares, said it planned to pay three interim dividends for 1982 of 27.5 cents per share and a fourth and final distribution of not less than 27.5 cents.

Egypt set for stock exchange revival

AT LEAST 150 additional companies will soon be listed on the Cairo and Alexandria stock exchanges as part of a general stock market revival.

U.S. QUARTERLY RESULTS

Table with multiple columns showing quarterly financial results for various companies like AMERICAN PETROFINA, GENERAL SIGNAL, JEFFERSON-PILOT, etc.

Advertisement for Banco de la Nación Argentina, U.S. \$20,000,000 Floating Rate U.S. Dollar Negotiable Certificates of Deposit, due 11th August, 1982.

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The Republic of Peru

US\$300,000,000 medium-term Eurodollar facility

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January 1982

Companies and Markets

WORLD STOCK MARKETS

NEW YORK

Table of New York stock market data including various indices like Dow Jones, S&P 500, and NYSE All Common, along with individual stock prices and changes.

Stock

Table listing individual stock prices and changes for various companies, including Alcoa, Amstar, and others.

Stock

Table listing individual stock prices and changes for various companies, including Amstar, Amstar, and others.

Stock

Table listing individual stock prices and changes for various companies, including Amstar, Amstar, and others.

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Table listing individual stock prices and changes for various companies, including Amstar, Amstar, and others.

Early Wall St. rally of 6.2

STOCKS ON Wall Street mostly staged a rally yesterday morning, with the NYSE All Common Index recouping 57 cents at \$86.31. Advances outscored declines by about a two-to-one ratio after volume of 34.5 million shares against Tuesday's 1 pm level of 40.36m.

The Dow Jones Industrial Average recovered 6.18 to \$37.76 at 11:59 am. The NYSE All Common Index recouped 57 cents at \$86.31. Advances outscored declines by about a two-to-one ratio after volume of 34.5 million shares against Tuesday's 1 pm level of 40.36m.

Moore Gordon, of Dreyfus Corporation said the rally was primarily technical in nature, with some support from Federal Reserve chairman Paul Volcker's testimony before Congress. Mr. Volcker indicated that the Fed would be somewhat flexible in its money supply growth targets.

However, Mr. Gordon added that "none of the background news would have caused the market to start a recovery rally in the absence of the Fed's announcement." Analysts said the pressure of high interest rates is still weighing on the market.

The Nikkei-Dow Jones average retreated 33.08 to 7,761.11 and the Tokyo SE index 1.01 to 574.30, while falls outscored rises on the First Market by 409 to 204. Volume came to 220m shares, similar to Tuesday's 230m.

With the yen unable to arrest the downward slide and the market headed for a holiday, many investors were not trading. The market is closed today for the National Foundation Day holiday and will re-open tomorrow.

Since the beginning of the month, investors have been in the market, apparently due to the yen's continuous fall. The market started on a fairly steady note, with sentiment still buoyant.

Frank B. Hall was off 11 to \$23. Ryder Systems agreed to limit its holding in the company to no more than 10 per cent. Hall's lawsuit against Ryder Supermarkets General fell 11 to \$17 on news that it plans to acquire Pantry Pride. The latter was the volume leader on the market in four categories.

THE AMERICAN SE Market Value Index registered 2.00 to 275.81 at 1 pm on volume of 2.63m shares (3.72m).

Shores on Canadian markets were also inclined to take a turn for the better in moderate early trading. The Toronto Composite Index put on 2.3 to 1,053.3 at noon, while Gide rallied \$2 to 2,470.8 and Oil and Gas \$3.7 to 2,908.5.

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from Western Mining, including subsidiaries Central Resources and HJ South, and also from CRA-controlled Bougainville Copper, have followed recent depressing returns from MIM, Mary Kathleen Uranium and Hangeley.

Market analysts said that while most stocks were falling on fears of long-lasting high U.S. and local interest rates, Metal Mining stocks were particularly vulnerable on predictions of continued low metal prices for at least six months.

In the Oil and Gas group, Vantage headed 20 cents to \$37.00, Harco 20 to \$35.00 and Magellan 15 cents to \$33.00, but Jackson well participant Claremont Petroleum up 8 cents to \$31.50.

Paris Bourse prices were higher in active trading as sentiment was encouraged by a further decline in the Call Money rate to 14 1/2 per cent, its lowest since May 12 last year.

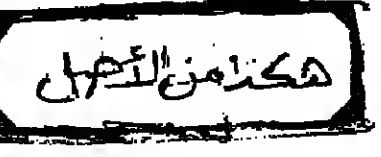
Hong Kong Leading stocks tended to ease a shade more yesterday in rather quiet trading. Brokers said the market regained some stability after the sharp setback on Monday and Tuesday.

Some traders suggested that there is the possibility of an adjustment after the sharp fall in the market, but others stated that unfavourable factors such as declining property prices and higher U.S. interest rates were still prevailing.

The Hang Seng index followed a two-day fall of 73 points, shed a modest 6.07 more to 1,286.45. Turnover totalled HK\$149.2m on the four exchanges in the short Wednesday session, compared with the HK\$24.31m registered in the full trading day on Tuesday.

Table of international stock market data including Australia, Belgium, Canada, Denmark, France, Germany, Hong Kong, Italy, Japan, Korea, Norway, Singapore, South Africa, Sweden, Switzerland, and Taiwan.

Notes and footnotes regarding the data, including a disclaimer about the accuracy of the information and a note about the source of the data.



S. Africa to sell maize to Taiwan

By Bernard Simon in Johannesburg. SOUTH AFRICA will export 1.8m tonnes of maize to Taiwan in the three years to June, 1985, under a contract signed by representatives of the two governments this week.

Conference to assist traders

A TWO-DAY conference on commodities will be held at the "Successful Trading in Commodities" will be held at the Royal Garden Hotel, London, on February 23 and 24.

Potato book

By Our Commodities Staff. THE POTATO Marketing Board has published a revised edition of "The EEC Potato Industry, its book originally launched in 1973. The author is Mr N. A. Young of the Centre for European Agricultural Studies.

Britain isolated in opposing 9% farm price increase

BY JOHN WYLES IN BRUSSELS. PRELIMINARY discussions in Brussels this week show that Britain is isolated on one key aspect of the Community farm price negotiations: it stands alone in rejecting the demands of its own farmers so excessive.

EEC sugar pact call rejected

AN EEC demand that high fructose corn syrups be placed under the terms of the International Sugar Agreement (ISA) is a major stumbling block to EEC membership, according to Mr William Miller, executive director of the International Sugar Organisation.

Sharp rise in coffee market

By John Edwards, Commodities Editor. COFFEE surged to the highest level since April 1980 on the London futures market yesterday. The March position at 144.2 was a tone before declining in late trading to 138.4, still 53 above Tuesday's close.

Malaysia to boost palm oil production

KUALA LUMPUR — Malaysia's crude palm oil output is forecast at 3.05m tonnes in 1982 against 2.8m tonnes in 1981. The U.S. Agricultural Attaché said in a report.

Third World wants bigger slice of cake

BY BRIJ KHINDARIA IN GENEVA. In Asian commodity exporter after the talks ended inconclusively last Friday. "They (the Third World delegates) take no account of the operation of free market economies, said a European delegate.

BRITISH COMMODITY MARKETS

Table with columns for various commodities like Tin, Copper, Nickel, Zinc, Lead, Silver, Gold, and Wheat, showing price changes and business status.

GRAINS

Table for grain prices including Wheat, Barley, and Oats, with columns for price and business status.

COCOA

Table for cocoa prices showing various grades and their market status.

COFFEE

Table for coffee prices including Arabica and Robusta, with columns for price and business status.

GAS OIL FUTURES

Table for gas oil futures prices showing different grades and their market status.

SOYABEAN MEAL

Table for soyabean meal prices showing various grades and their market status.

WOOL FUTURES

Table for wool futures prices showing different grades and their market status.

SUGAR

Table for sugar prices including London Daily Price and other market indicators.

COTTON

Table for cotton prices showing various grades and their market status.

MEAT/VEGETABLES

Table for meat and vegetable prices including beef, lamb, and various vegetables.

INDICES

Table for various financial indices including Dow Jones, Moody's, and Reuters.

PRICE CHANGES

Table showing price changes for various commodities over a period of time.

AMERICAN MARKETS

Table for American market prices including various commodities and their market status.

Tuesday's closing prices

Table showing closing prices for various commodities on Tuesday.

EUROPEAN MARKETS

Table for European market prices including various commodities and their market status.

INDICES

Table for various financial indices including Dow Jones, Moody's, and Reuters.

DOW JONES

Table for Dow Jones index prices showing daily and monthly movements.

MOODY'S

Table for Moody's index prices showing daily and monthly movements.

REUTERS

Table for Reuters index prices showing daily and monthly movements.

Advertisement for 'Happy Retirement Old Bean' featuring a cartoon of an old man and text about retirement products and services.

Advertisement for 'The Macallan' whisky, highlighting its quality and availability in various markets.

Advertisement for 'Art Galleries' listing various art exhibitions and galleries.

Advertisement for 'Clubs' listing various social and recreational clubs.

Advertisement for 'Wool Futures' and other market-related services.

Strong rally develops as markets regain confidence
Gilts up a point late and equity index rises 10.5

Account Dealing Dates
Option
*First Declared Last Account
Dealings Dealings Day
Jan 25 Feb 11 Feb 22
Feb 15 Feb 25 Feb 26 Mar 8
Mar 1 Mar 11 Mar 12 Mar 22

Government securities and leading shares rebounded sharply as investors yesterday regained confidence. A better performance by sterling, easy credit conditions in UK money markets and the authorities' calm reaction to last month's expansion in money growth continued to allay recent fears over U.S. financial trends.

The two main investment areas staged a modest technical rally soon after the opening in covering of professional bear positions. The steadier tone later aroused demand from private investment clients and, owing to the absence of real selling pressure in the previous two sessions, the buying frequently found markets short of stock.

Leading shares responded readily after the recent shake-out on uncertainty about President Reagan's budget and its likely effects on interest rates. Prices went progressively higher in a movement aided finally by Wall Street's good recovery early yesterday. Blue chip equities eventually established gains ranging to 8-GEC, exceptionally, ended 16 up at 537.5 and this was reflected in the FT Industrial Ordinary share index.

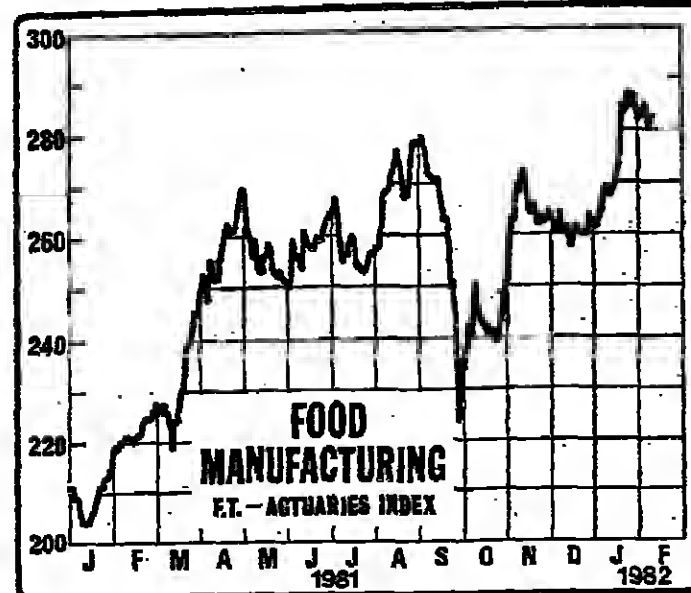
Down nearly 15 points over Monday and Tuesday, this measure regained 10.5 to close at the day's best of 573.7.

Similar conditions applied in a gilt-edged market which appeared to be unconcerned over reports that the U.S. Federal Reserve Board will maintain a tight monetary policy. Sellers were reluctant and light investment demand was sufficient to move quotations up in thin trading, the shorts achieving gains extending to 4; the new short tap, Exchange 13 1/2 per cent 1987 "A" began life at around par in £20-paid form with little interest being reported. Longer-dated stocks displayed rises ranging to a point late in the evening, after being 1 up at 4.00 pm.

Immediate Business Systems made a quiet debut in the Unlisted Securities Market, opening and closing at the placing price of 80p.

NatWest good

Buyers began to show an interest in the major clearing banks ahead of the dividend season which starts on Friday week. Lloyds, the first to report preliminary results, closed 10 to the good at 462p, while Barclays formed a similar amount to 470p. Additionally helped by the favourable annual results reported by associate Yorkshire Bank, NatWest finished 17 better at 540p. Elsewhere, Grindlays formed 13 to 215p, after 220p, on the late announcement that



FOOD MANUFACTURING & ACTUARIES INDEX

the group has sold its two subsidiaries, Dao Heng and Grindlays Finance to the Hong Leong Industrial Group for approximately £100m. Smith St Anny continued to rally in Discount Houses, the old adding 3 more to 35p, while the new all-paid ended 4 up at 14p premium. First National Finance Corporation were active and a fraction higher at 35p, after 35p.

Insurance rallied with Sun Alliance notable for an improvement of 16 to 885p. Speculative buying on revised bid hopes lifted Eagle Star 7 to 361p, while Commercial Union, annual figures due on February 22, hardened a few pence to 134p.

Breweries, a laudable sector recently came in for selective support and ended with modest gains. Grand Metropolitan shrugged off rumours that a rights issue was in the offing and added 4 to 194p, while Whitbread closed 3 to the good at 103p. Scottish & Newcastle added 1 1/2 to 86p. Among former Wines and Spirits, Arthur Bell rose 4 to 160p, while Distillers hardened 2 to 168p.

Buildings failed to participate in the general rally and closed narrowly mixed. NPI Industries eased 4 to 368p and Blue Circle a couple of pence more to 528p. Demand ahead of the preliminary results, due in the next Account, lifted ICI 8 to 346p. Among other Chemicals, Croda International put on 3 to 54p and the Deferred a penny to 51p on hopes of an increased offer from Barmah Oil, 2 dearer at 110p.

Heclamat disappoint

Renewed hopes of reductions in direct taxation in next month's budget and a consequent increase in consumer spending prompted steady support of some major shares. A "A" featured, rising 14 to 492p, while Burton rallied 5 to 153p. Marks and Spencer, 142p, and House of Fraser, 160p, added 4 apiece, and gains of 3 were noted for UDS, 77p, and Debenhams, 83p. Secondary issues remained subdued. Martin's Newsagent continued to draw

a near-10 per cent stake in Wood Hall Trust in Tuesday's dawn raid was revealed yesterday as being Elders IXL; the Australian concern announced agreed bid terms for Wood Hall which prompted the latter to improve 10 for a two-day jump of 59 to 215p to match the cash bid. Elsewhere in miscellaneous industrials, Chubb formed 5 more to 116p on continuing bid hopes and a broker's recommendation. Bid speculation also helped Wolverhampton Steam Laundry to put on 3 to 63p while Davies and Newman, still on hopes of increased business in the wake of the Laker Airlines demise, adding 5 fresh to 83p.

After falling 11 on Tuesday on the poor annual results, Aaronson Brothers retreated further to 2p but rallied to close on 2 barrier. Ashby Industrial Trust fell 5 to 49p on the interim deficit, while Grøppero, also reflecting disappointing first-half figures, lost 5 to 130p. The leaders staged a good rally on technical considerations. Pilkington added 9 to 282p, Boots 8 to 216p and Beecrom 6 to 244p. BOC rose 2 to 172p following the better-than-expected first-quarter profits.

Saga Holidays jumped 18 to 179p on the surprise announcement that the company had acquired Laker Air Travel for £500,000 cash, while independent brewery concern Greenall Whitley, buyers of Laker's Arrowsmith Holiday Group for £2m, added 2 to 118p, after 117p. The developments excited other travel concerns, Horizon closing 10 up at 338p and Intans 3 to the good at 112p. Elsewhere in the Leisure sector, Trident TV "A" gained 16 to a 1981-82 peak of 87p after confirmation of the Gaming Board's decision to withdraw its objections to the renewal of three casino licences.

Mealy, the subject of an unsuccessful dawn raid last December, attracted renewed speculative support and rose 7 to 115p. Elsewhere in Motor Distributors, B. and J. Quick added 3 to 45p. Publishers finished a shade firmer for choice. News International, 96p, recovered 3 of Tuesday's fall of 12 which allowed them to revive closure threats at Times Newspapers. Benn Brothers, rose 5 to 105p following the increased interim profits and dividend.

Oils better

Oil shares took a distinct turn for the better, but the recovery was largely technical. British Petroleum formed 6 to 296p and Shell 4 to 224p among the leaders. Sovereign rallied smartly with a gain of 16 to 316p, while Ultramar also stood out with an improvement of 11 to 420p. Further consideration of the rights issue prompted a gain of 1 to 300p in Hastings Petroleum, and American Oil Fields responded to the results with a gain of 12 to 142p. Buyers

showed interest in Jackson Exploration, which put on 8 to 114p, while Carless Capital rallied 4 to 135p.

Overseas Traders displayed a firmer bias, where altered. Lounsbury added a couple of pence to 86p; the preliminary results are expected today. Gill and Duffus, dull of late following the chairman's resignation, rallied 9 to 185p on speculative demand.

Among Financial Trusts, Exco International remained a lively market following the WICO acquisition and improved a 20p to 212p before setting 3 up on balance at 210p.

Western Mining rally

Heavily sold in overnight domestic markets following the 50 per cent decline in interim net profits, Western Mining rallied in London and closed 7 firmer at 222p. Bourneville, also under pressure on Tuesday on the poor profits performance, attracted cheap buying and moved up 4 to 68p.

Other Australians were mixed in generally subdued trading. The leaders, usually ended a shade firmer but the speculative issues met persistent selling. Olinde dropped 10 to a 1981-82 low of 75p, while Swan Resources gave up 2 to a low of 28p.

South African Golds made good progress in early trading but ran into substantial selling in afternoon and after-hours dealings, despite a firm performance by the bullion price—finally \$2 up at \$381.5 an ounce. The Gold Mines index showed a gain of 1.8 to 283.8.

The strong recovery by UK equities prompted sizeable buying of London Financials. Gold Fields rose 8 to 475p, while Rio Tinto-Zinc moved up 4 to 427p and Charter Consolidated 3 to 245p. In South African Financials, Rand London Corporation fell 4 to a 1981-82 low of 104p and Rand London Coal 6 to a low of 47p.

RECENT ISSUES

Table of recent issues including issue price, amount, and stock details.

Table of fixed interest stocks including issue price, amount, and stock details.

Table of 'Rights' offers including issue price, amount, and stock details.

Renunciation date usually last day for dealing... Figures based on prospectus estimates... Dividend set payable on... Capital: cover based on dividend on full payment...

Table of active stocks including stock name, closing price, and daily change.

Table of Tuesday's active stocks including stock name, closing price, and daily change.

FINANCIAL TIMES STOCK INDICES

Table showing various stock indices like Government Secs, Fixed Interest, Industrial Ord., etc. with values for Feb 10, Feb 9, Feb 8, Feb 7, Feb 6, and a year ago.

Jan 100 Govt. Secs, 15/10/26. Fixed Int, 1926. Industrial Ord, 17/35. Gold Mines 12/9/36. SE Activity 1974. 10 am 585.7. 11 am 592.6. Noon 570.2. 1 pm 571.2. 2 pm 571.5. 3 pm 571.5. Latest issue 01-245 9026. *Nil=12.33.

HIGHS AND LOWS S.E. ACTIVITY

Table showing high and low values for various stock indices and S.E. activity for Feb 9 and Feb 10.

Advertisement for NIPPON CREDIT BANK (CURACAO) FINANCE N.V. featuring a logo and text about guaranteed floating rate notes due 1990.

Advertisement for The Toronto Dominion Bank offering U.S. \$100,000,000 Floating Rate Debentures for February 1992.

Advertisement for Tokyo Pacific Holdings (Seaboard) N.V. offering U.S. \$63.56 on February 8th 1982, listed on the Amsterdam Stock Exchange.

Table of VONTOBEL EUROBOND INDICES showing price index, average yield, and other financial data.

Advertisement for American Express International Banking Corporation, London Branch, offering negotiable floating rate London dollar certificates of deposit.

Advertisement for THE HOKKAIDO TAKUSHOKU BANK LIMITED (TAKUGIN) offering negotiable floating rate certificates of deposit.

Advertisement for Charterhouse Japhet International Finance B.V. offering guaranteed floating rate notes 1985.

Table of NEW HIGHS AND LOWS FOR 1981/2, listing various stocks and their performance.

Table of RISES AND FALLS YESTERDAY, listing stock price changes.

Table of OPTIONS, listing first, last, and deal days for various options.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries.

Large table showing EQUITY GROUPS & SUB-SECTIONS with columns for index, price, and change, covering various sectors like Capital Goods, Building Materials, etc.

Table showing FIXED INTEREST and AVERAGE GROSS REDEMPTION YIELDS for various financial instruments.

مكتبة النور

INDUSTRIALS—Continued

Table of industrial stocks including companies like Anglo-TV, British Telecom, and various manufacturing firms with their respective prices and market movements.

LEISURE

Table of leisure-related stocks such as British Skyways, British Rail, and various travel and entertainment companies.

PROPERTY—Continued

Table of property and real estate stocks including various land and housing development companies.

INVESTMENT TRUSTS—Cont.

Table of investment trusts offering diversified portfolios of assets, with details on their performance and holdings.

OIL AND GAS—Continued

Table of oil and gas stocks, including major energy companies and smaller independent producers.

SANYO INTERNATIONAL LTD. advertisement featuring the company name, address, and contact information.

MINES—Continued

Table of mining stocks, categorized by region (Central African, Australian, etc.) and listing various mineral extraction companies.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks, including manufacturers and distributors of vehicles and aircraft.

SHIPPING

Table of shipping stocks, covering various maritime and logistics companies.

SHOES AND LEATHER

Table of shoes and leather goods stocks, including manufacturers and retailers.

SOUTH AFRICANS

Table of South African stocks, listing companies from that region.

TEXTILES

Table of textile stocks, including manufacturers of fabrics and clothing.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing stocks, including major media companies.

PAPER, PRINTING

Table of paper and printing stocks, covering the manufacturing and distribution of paper products.

TOBACCO

Table of tobacco stocks, including major tobacco companies.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land-related stocks, including investment and financial services companies.

PROPERTY

Table of property stocks, including real estate and land development companies.

INSURANCE

Table of insurance stocks, covering various insurance companies and financial services.

OVERSEAS TRADERS

Table of overseas traders, including companies that trade internationally.

RUBBERS AND SISALS

Table of rubber and sisal stocks, including manufacturers and processors.

TEAS

Table of tea stocks, including major tea companies.

MINES

Table of mining stocks, including various mineral extraction companies.

Central Rand

Table of Central Rand mining stocks.

Eastern Rand

Table of Eastern Rand mining stocks.

Far West Rand

Table of Far West Rand mining stocks.

O.F.S.

Table of O.F.S. (Overseas Financial Services) stocks.

Finance

Table of finance stocks, including banks and financial institutions.

OIL AND GAS

Table of oil and gas stocks, including energy companies.

Diamond and Platinum

Table of diamond and platinum stocks, including mining and trading companies.

REGIONAL MARKETS

Table of regional market data, including stock prices from various international locations.

OPTIONS

3-month Call Rates

Table of 3-month call option rates and other market data.

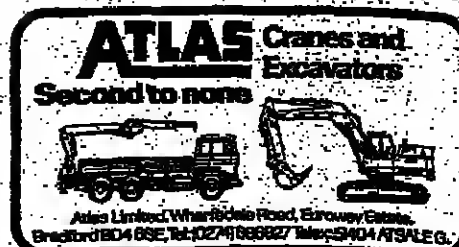
Finance

Table of finance-related market data and interest rates.

Diamond and Platinum

Table of diamond and platinum market data.

Additional notes and information regarding the regional markets and options data.



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State 'may step into rail dispute'

By Philip Bassett, Labour Correspondent THE GOVERNMENT is considering stepping into the rail dispute in the next few weeks, Mr Sid Weighell general secretary of the National Union of Railwaymen said yesterday.

Mr Weighell said he was told of this possibility by Sir Peter Parker, British Rail chairman, and added that "thousands and thousands" of jobs were at risk in the dispute.

A further stoppage is due today by members of the Associated Society of Locomotive Engineers and Firemen. Mr Tom Jenkins, general secretary of the white collar Transport Salaried Staffs Association also warned yesterday that unless the stoppages ended soon "the Railway Board will have instructions from the Government in about four weeks as to the method the board will be run in the future."

"The Government will probably give the Railway Board a new remit," he said. Mr Cliff Rose, BR board member for industrial relations warned that the effect of the 3,000 might be to add another 3,000 onto the 7,000 expected to disappear this year under BR's corporate plan. However, Mr Rose, regarded as dovish on the BR board, said that he did not believe the Government was ready to take over the running of the railways. He did not think the Government would take any "crash action."

The independent inquiry into the dispute, which centres on flexible rostering, will resume its work this morning. However, an attempt by Aslef, which has boycotted the inquiry, to lodge secret submissions with it has been rejected by Lord McCarthy, the inquiry's chairman.

Union surveys on the scale of any Government action on the dispute included: Possible permanent action to scale down the 11,000-mile network, further losses and accelerating the privatisation of saleable BR areas such as hotels and shipping, or Temporary action enforcing a closure of the network to stage a full-scale confrontation with Aslef.

Mr Jenkins urged Lord McCarthy to make a fresh appeal to Aslef to attend the inquiry. Mr George Doughty, an inquiry member, is believed to have been urging that the inquiry should not go ahead without Aslef.

Aslef members will be on strike again today, but the prospect of the union receiving the support of the National Union of Mineworkers in the strike seems to have been reduced by an intervention by the NUR.

Left-wing members of the NUM executive are expected today to urge that the miners give full support to Aslef, following decisions in Yorkshire and South Wales NUM areas to halt the movement in coal from pits which would normally go by train.

However, Mr Weighell has written to Mr Gormley, the retiring NUM president, urging caution and putting the NUR's case. NUR leaders hope this letter will be used at today's NUM executive meeting to rebuff the Left's efforts.

No mention is made in the letter of the alliance of rail, coal and steel unions of which Aslef is not a member. But it is understood that in telephone calls between the NUR and the NUM it has been pointed out by the NUR that the miners ought to stay out of the railway dispute.

Mr Albert Booth, the Shadow Transport secretary, yesterday urged Mr David Howell, the Transport Secretary to deny Press reports that the Government was planning a restructuring of British Rail involving job losses and line closures.

In a letter written after a meeting with Aslef's leaders, Mr Booth suggested that such a denial would help chances of a settlement in the rail dispute.

HOWE PRAISES TUC STRATEGY

BY JOHN LLOYD, LABOUR EDITOR

THE CHANCELLOR yesterday told the TUC that its Budget proposals were "wholly responsible" and that its 1982 Economic Review was "a serious analysis of the situation."

The Prime Minister described the TUC's overall economic plan as "irresponsible" when it was published ten days ago.

Mr David Bassett, general secretary of the General and Municipal Workers' Union and chairman of the TUC's Economic Committee, made it clear after the committee's meeting with Sir Geoffrey that the unions would make use of his praise in propaganda later.

He said the Chancellor had not questioned the optimistic

results the TUC had obtained by passing their proposals through the Treasury's own computer model of the economy. "We shall be emphasising that very strongly at every opportunity," said Mr Bassett.

According to Mr Len Murray, TUC general secretary, Sir Geoffrey had thrown caution to the wind when he indicated that he might be in favour of opening up the traditional secrecy of the pre-budget deliberations to wider consultation.

The TUC will submit proposals on the budgetary exercise to the Chancellor later this week. These will repeat the call made in the Economic Review for the opening

of the public expenditure survey exercise to participation by the TUC, industry and the City.

But Sir Geoffrey maintained a discreet silence on the basic thrust of the TUC's presentation. The TUC does not believe that he will pay any heed to its call for reflation.

The union leaders made pointed reference to the Employment Bill now about to go to Committee stage in the Commons.

Mr Bassett told Sir Geoffrey that the TUC wished to go on talking to him about the economy, but would be constrained from doing so if union members were sent to jail under the terms of the new legislation.

CBI looks for £2.6bn industry boost in Budget

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

THE BUDGET on March 9 should be framed to cut business costs by £2.6bn next financial year and to inject a modest stimulus into the economy, the Confederation of British Industry says in its submission to the Chancellor, published yesterday.

In a 52-page report, "A Winning Budget," it outlines four major ways industry should be helped:

1. A cut in employers' National Insurance Surcharge from 13 1/2 per cent to 11 per cent.

2. A 15 per cent cut in business rates.

3. A reduction of interest costs.

4. An increase of productive investment in the public sector.

The CBI measures would increase public borrowing by £2.6bn, compared with the sum which would be needed on the Treasury's assumption of un-checked policies.

The CBI says excise duties on

alcohol, petrol and tobacco should not be raised in line with inflation this year, even though raising them would bring in about £1bn of extra revenue.

This is the only direct concession the CBI recommends for consumers this year. The main task of the Budget should be to improve the competitiveness of business and help to raise profits from their historically low level, the confederation says.

Sir Raymond Pennock, CBI president, commented: "We in British business have been carrying out government policies very effectively in the last 12 months and we believe that there are business costs imposed on us by the Government which should now be cut."

Further improvements would be the best way to increase output and to create more jobs, says the CBI. It rejects the

idea of a much greater stimulus to demand, on the grounds that this could be inflationary and create supply bottlenecks in the economy.

Sir Raymond said that after wide consultations, the CBI had

concluded that a gradual approach to expansion would be better in the long run for business and the economy.

He rejected indignantly suggestions that a cut in the NIS would be passed on by industry in the form of higher wages.

"To imagine that, having got this relief from our present low level of profitability, business would just throw the advantage away is just ridiculous.

Investment firm founders

BY CHRISTINE MOIR

THE NUMBER of fringe investment management groups have collapsed in the past 12 months is almost certain to be swelled by Personal Portfolio Services, a Yorkshire-based group managed by Mr Andrew MacHutchison, a former Slater Walker associate.

The group is a third owned by Mr George Barlow, a partner in Hingworth Henriques, one of Manchester's leading stock-broking firms.

The parent company, PPS, has been placed in provisional liquidation at the request of the Department of Trade pending a formal winding up petition on February 22.

This represents a major tightening in the Department of Trade's investigative processes. Its initial inquiries were made as part of a newly instigated process of checking advertisements by investment management groups to see whether they held dealing licences under the Prevention of Fraud (Investments) Act, 1958.

It is rare for the DoT to request that a provisional

liquidator be appointed ahead of a formal petition. This power is normally used only where the DoT believes it necessary to protect funds.

Personal Portfolio Services is thought to have about £1m of funds under management and another £750,000 or so of capital in a number of loosely-associated companies, ranging from bill-planning, insurance broking, billboard advertising and a health hydro in Hiley, Yorkshire.

Mr Barlow, as a non-executive director, has also personally called in Arthur Andersen, the auditing firm, to carry out an independent investigation of the group.

Through his lawyer yesterday he said it was likely that they would all end in liquidation although Andersen's report would not be complete until next week.

The financial affairs of the group were in total disarray, he said, something which he had discovered only after learning that the Department

of Trade had begun investigating PPS shortly before Christmas.

PPS had not filed accounts with the Registrar of Companies for four years. It does not have a licence to trade in securities, a serious offence under the PFI Act.

However, Mr Barlow said yesterday that as far as he could judge, given the "administrative muddle" all investors and creditors would be paid in full.

He said the collapse of PPS would have no effect on Hingworth Henriques. His involvement with PPS was an entirely personal affair though Hingworth was one of a small group of brokers used extensively by PPS.

Mr Magnus Mowat, administrative partner of Hingworth, confirmed that the Stock Exchange had been kept fully informed of the stockbroker's position and that Hingworth had only one small stock market deal open with PPS at the time of the collapse.

Wood Hall agrees to bid

Continued from Page 1

duct of a merger completed in December, between Elder Smith Goldsbrough Mort, Australia's leading woolbroker and livestock trader, and Henry Jones (IXL), a major force in the Australian food processing industry.

Mr Richards said the "complementary and allied businesses" of the two groups were so apparent that agreement on the takeover terms had been possible "surprisingly quickly."

Wood Hall has about 65 per cent of its assets in Australia, where it owns Australian Mercantile, Land and Finance Company (AML&F), one of the two

major competitors to Elder Smith in the pastoral industry. It also has a number of trading operations in the Far East, in which Elders IXL has expressed great interest.

The other principal area of Wood Hall's activities is the UK building and construction industry, where it lost \$6.95m in the year to last June. This chiefly accounted for a decline in pre-tax profits to \$4.07m, against \$9.73m.

Mr Elliott said Wood Hall's Australian businesses would continue independently within the Elders group following a successful acquisition.

Zaire

Continued from Page 1

commercial loans. Low prices of copper and cobalt—which account for nearly 70 per cent of export earnings—resulted in a fall in receipts last year to about \$1.5bn, compared with a forecast \$1.9bn, and actual receipts in 1980 of \$1.9bn, says the central bank.

Debt service payments in 1981 were about \$410m—more than 27 per cent of likely export receipts—and the shortfall in export earnings had led to about \$90m of arrears on debt service payments by the end of September last year, according to the memorandum.

Dispute may shut automatic gear plant

BY ROBB REEVES

WORKERS operating an overtime ban at Borg-Warner's automatic transmissions factory at Kenfig Hill, South Wales, have been warned that their plant may close unless they settle a pay dispute by the end of the week.

The 1,120 workers at the U.S.-owned factory are due to meet today to discuss the ultimatum from Mr Kenneth Thorpe, the company's managing director. He said the dispute was one of several serious problems facing the plant.

All must be resolved before the operation's long-term future is assured. But without a satisfactory settlement on the pay offer the survival of the plant is in serious jeopardy," he said.

According to union officials the overtime ban and other difficulties over the pay negotiations were triggered by the declaration of 100 redundancies at the plant in November.

The men complained that they were working themselves out of employment by stepping up productivity in an apparently static or even contracting market.

Borg Warner's problems were highlighted in October when Mr Nicholas Edwards, the Welsh Secretary, appealed to the company's workers to improve productivity.

This was needed to win the planned investment in Continuously Variable Transmissions by the company's U.S. parent.

Mr Edwards warned that without the spending on the low-cost automatic gear system, which gives imperceptible shifts in gear and improved fuel consumption, the plant might be shut this year.

In his statement Mr Thorpe suggested that the workforce had initially responded to Mr Edwards' plea. Productivity had increased until November, he said, but further improvement had been required to make the plant competitive on a world scale.

Since November, however, "output has fallen badly leading to heavy losses, a situation which cannot be tolerated."

Keneth Goeding, writes: Borg-Warner has already closed its plant at Letchworth Garden City, Herts, at the cost of 700 jobs and has consolidated output at Kenfig.

The future of the company rests on the success of the CVT, developed with Van Dorne of Holland and Fiat of Italy.

Borg-Warner is ready to spend £3.5m this year and low-volume output of the CVT could begin late in 1983. Production is believed to be for the Fiat Ritmo/Strada.

Weather

UK TODAY RAIN, heavy in the west, and showers with bright intervals in the east. Windy but mild. England and Wales: Scattered showers and strong winds, Mild. Max. 12C. (54F). N. Ireland, Isle of Man, S.W. Scotland, Glasgow. Rain and snow in high regions. Strong to gale force winds. Max. 8C. (46F). Borders, Edinburgh, Aberdeen. Showers with bright intervals. Strong winds. Max. 7C. (45F). Rest of Scotland. Thursday showers with snow in places. Strong winds. Max. 6C. (43F). Outlook: Unsettled and windy. Normal temperatures.

WORLDWIDE table with columns for location, Y day, Y day, Y day

THE LEX COLUMN

Elder moves into new pastures

Last year Wood Hall Trust sold its stake in the Australian company Elder Smith; yesterday, a bare 24 hours after a dawn raid by the company it accepted a cash offer worth \$53.6m. At 215p a share, the price represents a premium of 38 per cent on pre-bid levels and is probably in line with underlying net assets. Wood Hall has run into serious difficulties in its UK building business, which made a loss of £7m last year. Excluding profits, the exit p/e on non-UK profits, principally in Australia is about 11, fully-taxed, and 1981 is likely to prove a cyclical peak.

So the price obtained by Wood Hall looks a good one. Elder—now called Elders IXL after last year's merger with fast growing food group Henry Jones—can contemplate it because it has complementary interests in two areas—both in Australia. Elder's strength in wool buying and connected services in the western part of the country can be combined with Wood Hall's position in the eastern part, pushing up the company's share of the national market from 35 to 48 per cent. Elder is also the largest international trader in Australia, handling about 6 per cent of exports, and the acquisition of Wood Hall will give it bases in countries where it is currently not represented.

Elder has initiated an aggressive programme of liquidating idle property assets. So even after the acquisition of Wood Hall, its gearing should be modest in a year or so's time.

BOC BOC has pushed up trading profits by perhaps 10 per cent in its first quarter to December, after adjusting for exchange gains and a steep fall in above the line costs. But, with the group's interest cover looking more comfortable, reported pre-tax profits have

Index rose 10.5 to 573.7

risen 45 per cent to £21.2m. Much of the underlying improvement is attributable to last year's substantial cost reductions in the UK. Only in isolated areas like health care has there been any evidence of rising demand. Yet BOC has proved remarkably resilient to depressed trading conditions in its major markets, particularly the U.S. The very weak export position in the U.S. steel industry has kept the welding division just the wrong side of break-even, but American profits are down by only 20 per cent overall.

The group's own jaunty optimism rests on the assumption that it can buck cyclical economic trends in its less recession-sensitive divisions. The evidence so far fits BOC's favour, but even after yesterday's 5p rise to a record high of 172p, the shares are still not taking too much on trust. After adding back additional depreciation, they trade at about seven times last year's reported earnings. The yield is 4 1/2 per cent.

Greenall Whitley Greenall Whitley and Saga are changing their arms by picking up the Laker holiday operations with so many questions still unanswered. But they have at least been offered what looks like a knock-down price and particularly in the case of Greenall Whitley, the purchase will hardly make a dent in a very strong balance sheet.

Greenall may well be saddled with a cash outflow from Arrowsmith this year. Its book profile is already weak and the recent uncertainty will hardly have helped. But Greenall will be able to put funds into Arrowsmith—where Laker's financial position has

recently restrained Arrowsmith's growth—and the situation should, downward, help with its existing operations.

Arrowsmith is based in Greenall's northern headquarters and its cash receipts which are stronger in the first calendar quarter, will counteract to some degree the seasonality of Greenall's own cash flow. After years in which it has been buying profits moving ahead through acquisition and strikes at competing companies, Greenall is obviously taking a fairly bearish view of brewing prospects and placing its eggs elsewhere.

Markets With sterling looking steadier yesterday, the London financial markets fell short of the relative vigour look at the January figures, perhaps on the basis that the had news may now be out of the way. Add that the favour of Mr Volcker's testimony to Congress was decidedly helpful later in the day.

The Federal Reserve seems to be taking the view that the understatement of M1 last year should reduce concern about the rapid rate of increase this January. So the Fed does not need to react sharply if growth is above the target range for a while, especially as Mr Volcker showed some confidence that part of the January blip should reverse itself naturally.

Whether the Fed is being soft or merely sensible, Mr Volcker's statement allowed gilt-edged to close with gains of roughly a point at the long end, and nearly as much among the short-dated stocks. If the market opens firm today there could even be some interest in the 1987 top stock which was roughly a quarter point dearer last night. Equities regained most of the previous two days' losses in a market that remains very short of stocks.

"Any regrets? Only that we didn't get a factory in Milton Keynes years ago!" MR. JOHN BURR, MANAGING DIRECTOR, WATERCOOLERS LTD.

Dust-up over the Camembert

A PARAMILITARY raid mounted by a Paris-based private security company to rescue 750,000 ripening Camembert cheeses from the clutches of strikers was rapidly degenerating into French farce yesterday.

About 200 raiders, with a hard core of 40 ex-paratroopers under the leadership of a former Foreign Legion officer, used teargas to quell the 30 strikers before herding them into a factory building and holding them prisoner for six hours.

Several of the strikers, from the Societe Fromagerie du Normandie at Isigny in the Calvados region, claim to have been pushed around during the

TERRY DODSWORTH reports from Paris on the cheese raiders of Normandy.

attack. They have since taken the matter to court, with the support of the town mayor and the local deputy, M Louis Merxandeu, the Telecommunications Minister, who has called for an inquiry.

The incident is likely to raise further questions in France about the role and powers of private security organisations, which have been involved in several violent incidents with the public recently.

commando at Isigny sealed off the town, used walkie-talkie radios to co-ordinate the raid, and ignored appeals from the mayor as they launched their attack.

"We did not hide ourselves at any time. M Fernand Loustau, leader of the commando, was quoted as saying yesterday. "There was only a bit of a dust-up when we arrived. Some strikers charged us with iron bars. We neutralised them with tear gas, which was our only weapon, and then shut them up

in one of the factory rooms." The strikers had been sitting in at the plant for about a week in support of a claim for a 39-hour week. M Loustau was called in to break up their action by one of the directors of the cheese group, a former parastatist colleague in Algeria, who said it was necessary to save his cheese, which the workers had been considering selling off in lieu of back-pay.

"I went back to take what belonged to me," the director was quoted as saying. Both the Communist-led CGT union and the Socialist-orientated CFDT condemned the raid. The CFDT has called on the Government to put an end to action of this kind.

Arabic text: شركة مياه التبريد